

Press Release

Wearit Global Limited

May 29, 2019

Rating Update



Total Bank Facilities Rated*	Rs.310.04 Cr.#
Long Term Rating	ACUITE BB+ Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuité has reviewed the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 310.04 crore bank facilities of Wearit Global Limited (WGL). This rating is now an indicative rating and is based on best available information.

The Kolkata based WGL (the erstwhile Ritspin Global Limited), incorporated in 1999 as an investment company, changed its business to trading in polyester yarns and fibres in 2002. The company started with manufacturing activities from FY2011 with the acquisition of a spinning unit which had installed capacities of 25,776 spindles. The company had a combined installed capacity of 1, 55,648 spindles and is managed by Mr. Manish Kumar.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY 2018	FY 2017	FY 2016
Operating Income	Rs. Cr.	396.4	764.2	750
EBITDA	Rs. Cr.	-91.12	9.21	53.26
PAT	Rs. Cr.	-113.7	-35.37	8.48
EBITDA Margin	(%)	-24.6	.3	6.4
PAT Margin	(%)	-28.2	-4.6	1.1
ROCE (%)	(%)	-26.2	-7.1	1.9
Total Debt/Tangible Net Worth	Times	10.30	2.36	1.71
PBDIT/Interest	Times	-	0.072	1.305
Total Debt/PBDIT	Times	-3.76	37.61	5.86
Gross Current Assets (Days)	Days	270	249	219

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
07-Mar-2018	Packing Credit	Long Term	134.70	ACUITE BB+ Issuer not cooperating*
	Cash Credit	Long Term	86.05	ACUITE BB+ Issuer not cooperating*
	Term Loan/FCTL	Long Term	66.29	ACUITE BB+ Issuer not cooperating*
	Foreign Bill Purchase	Long Term	18.00	ACUITE BB+ Issuer not cooperating*
	Letter of Credit	Short Term	5.00	ACUITE A4+ Issuer not cooperating*
16-Dec-2016	Packing Credit	Long Term	134.70	ACUITE BB+/Stable (Reaffirmed)
	Cash Credit	Long Term	86.05	ACUITE BB+ /Stable (Reaffirmed)
	Term Loan/FCTL	Long Term	66.29	ACUITE BB+/Stable (Reaffirmed)
	Foreign Bill Purchase	Long Term	18.00	ACUITE BB+/Stable (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Reaffirmed)
19-Oct-2015	**Packing Credit	Long Term	204.27	ACUITE BB+/Stable (Reaffirmed)
	Cash Credit	Long Term	9.73	ACUITE BB+ /Stable (Assigned)
	Term Loan/FCTL	Long Term	66.04	ACUITE BB+ /Stable (Assigned)
	Foreign Bill Purchase	Long Term	25.00	ACUITE BB+/Stable (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A4+ (Assigned)

*The issuer did not co-operate; based on best available information.

** Enhanced from Rs 55.20 crore

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Packing Credit	Not Applicable	Not Applicable	Not Applicable	134.70	ACUITE BB+ Issuer not cooperating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	86.05	ACUITE BB+ Issuer not cooperating*
Term Loan/FCTL	Not Applicable	Not Applicable	Not Applicable	66.29	ACUITE BB+ Issuer not cooperating*
Foreign Bill Purchase	Not Applicable	Not Applicable	Not Applicable	18.00	ACUITE BB+ Issuer not cooperating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Issuer not cooperating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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