

Gopinath Spinning Private Limited: Downgraded

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	5.00	SMERA D (Downgraded from SMERA C)
Term Loan	3.00	SMERA D (Downgraded from SMERA C)
Bank Guarantee	1.05	SMERA D (Downgraded from SMERA A4)

SMERA has downgraded the long term rating to **SMERA D (read as SMERA D)** from 'SMERA C' (read as SMERA C) and short term rating to '**SMERA D' (read as SMERA D)** from '**SMERA A4' (read as SMERA A four)** on the Rs.9.05 crore bank facilities of Gopinath Spinning Private Limited (GSPL). The rating reflects delays in servicing of debt by the company and its stretched liquidity position.

Rating Sensitivity Factors

- Curing of debt
- Scalability of operations while maintaining margins

Criteria applied to arrive at the rating:

- Manufacturing entities

About the Company

GSPL, incorporated in 2003 is a Vadodara-based company promoted by Yoginkumar Ashokbhai Patel. The company manufactures combed cotton yarn and blended yarn of counts ranging from Ne 24s to Ne 80s. The day-to-day operations are managed by Mr. Kamlesh Patel, Managing Director.

For FY2015-16, GSPL reported net profit of Rs.0.08 crore on operating income of Rs.46.38 crore as against net loss of Rs.0.67 crore on operating income of Rs.28.36 crore in the previous year.

Rating History

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
16 November, 2015	Cash Credit	5.00	SMERA C (Assigned)	-	-
	Term Loan	3.00	SMERA C (Assigned)	-	-
	Bank Guarantee	1.05	-	SMERA A4 (Assigned)	-

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ABOUT SMERA

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