

## Press Release

### Mori Spinning Private Limited

December 10, 2019

#### Rating Update

|                                     |   |
|-------------------------------------|---|
| <b>Total Bank Facilities Rated#</b> | Rs. 40.00 Cr.                                     |
| <b>Long Term Rating</b>             | ACUITE BB<br>Withdrawn; Issuer not co-operating*  |
| <b>Short Term Rating</b>            | ACUITE A4+<br>Withdrawn; Issuer not co-operating* |

#Refer Annexure for details

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

#### Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 40.00 crore bank facilities of Mori Spinning Private Limited (MSPL). This rating is now withdrawn, indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

MSPL, incorporated in the year 2016, is engaged in manufacturing of spinning yarn. It has set up an open ended spinning unit with 2208 rotors with a production capacity of 19500 Kgs of Open Ended yarn per day. The manufacturing unit is located near Somnath in the district of Amreli, Gujarat. Apart from selling in the local markets, MSPL is also exporting its material through Merchant Exporters on regular basis.

#### Non-cooperation by the issuer/borrower:

Acuite 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 Acuite's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity - Key Financials

| Particulars                     | Unit      | 2019   | 2018  |
|---------------------------------|-----------|--------|-------|
| Operating Income                | Rs. Crore | 106.75 | 41.35 |
| Profit after tax (PAT)          | Rs. Crore | 3.87   | 0.87  |
| PAT margin                      | %         | 3.63   | 2.09  |
| Total debt / Tangible Net worth | Times     | 1.24   | 1.24  |
| PBDIT / Interest                | Times     | 5.11   | 5.00  |

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

Not applicable

### 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-Nov-2019 | Cash Credit                     | Long Term  | 6.00            | ACUITE BB (Indicative)         |
|             | Term Loan                       | Long Term  | 32.00           | ACUITE BB (Indicative)         |
|             | Bank Guarantee                  | Short Term | 2.00            | ACUITE A4+ (Indicative)        |
| 30-Aug-2018 | Cash Credit                     | Long Term  | 6.00            | ACUITE BB/ Stable (Reaffirmed) |
|             | Term Loan                       | Long Term  | 32.00           | ACUITE BB/ Stable (Reaffirmed) |
|             | Bank Guarantee                  | Short Term | 2.00            | ACUITE A4+ (Reaffirmed)        |
| 29-Mar-2018 | Cash Credit                     | Long Term  | 6.00            | ACUITE BB/ Stable (Assigned)   |
|             | Term Loan                       | Long Term  | 32.00           | ACUITE BB/ Stable (Assigned)   |
|             | Bank Guarantee                  | Short Term | 2.00            | ACUITE A4+ (Assigned)          |

### \*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate    | Maturity Date  | Size of the Issue (Rs. Crore) | Ratings/Outlook                               |
|------------------------|------------------|----------------|----------------|-------------------------------|---|
| Cash Credit            | Not Applicable   | Not Applicable | Not Applicable | 6.00                          | ACUITE BB Withdrawn; Issuer not cooperating*  |
| Term Loan              | Not Applicable   | Not Applicable | Not Applicable | 32.00                         | ACUITE BB Withdrawn; Issuer not cooperating*  |
| Bank Guarantee         | Not Applicable   | Not Applicable | Not Applicable | 2.00                          | ACUITE A4+ Withdrawn; Issuer not cooperating* |

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

### Contacts

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|---|---|
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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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