Press Release

Grospinz Fabz Limited

Oct 24, 2019

Rating Update

Total Bank Facilities Rated*	Rs.84.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

 # Refer Annexure for details
** The issuer did not co-operate; based on best available information.*

Acuité has Downgraded long-term rating to **'ACUITE BB+' (read as ACUITE double B plus)** from 'ACUITE BBB- (read as ACUITE triple B minus) and the short term rating to **'ACUITE A4+' (read as ACUITE A four plus)** from **'ACUITE A3' (read as ACUITE A three)** on the Rs. 84.00 crore bank facilities of Grospinz Fabz Limited (GFL). This rating is now an indicative rating and is based on best available information.

Incorporated in 2006, Grospinz Fabz Limited (GFL) is a Punjab based company engaged in manufacturing of cotton spun yarn at its spinning unit in Jalalabad, Punjab with an installed capacity of 32,000 spindles. In addition, GFL started their 2nd unit in Gujarat in the Sabarkantha district from September'17 with an installed capacity of 15,000 spindles. The company is promoted by the Grover family headed by Mr. Babu Lal Grover along with his two sons Mr. Navneet Grover and Mr. Supneet Grover.

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
- Entities in Manufacturing sector - 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). 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

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)
Not Applicable

Any other information
Acuité 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
13-May-2018	Term Loan	Long term	37.39	ACUITE BBB- /Stable (Assigned)
	Cash Credit #	Long term	35.00	ACUITE BBB- /Stable (Assigned)
	Foreign Bill Discounting @	Short Term	10.00	ACUITE A3 (Assigned)
	Proposed Long term facilities	Long term	0.81	ACUITE BBB- /Stable (Assigned)
	Bank Guarantee	Short Term	0.80	ACUITE A3 (Assigned)

Includes sub limit of Rs 32 crs of EPC/PCFC/FBD and Rs 8 of domestic book debt within CC limit of Rs 35 crs.
@ Includes sub limit of Rs 10 crs of EBR within FBP limit of Rs 10 crs.

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	37.39	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Cash Credit #	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Foreign Bill Discounting @	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Proposed Long term facilities	Not Applicable	Not Applicable	Not Applicable	0.81	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

**The issuer did not co-operate; based on best available information*
Includes sub limit of Rs 32 crs of EPC/PCFC/FBD and Rs 8 of domestic book debt within CC limit of Rs 35 crs.
@ Includes sub limit of Rs 10 crs of EBR within FBP limit of Rs 10 crs.

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Nikhilesh Pandey Analyst - Rating Operations Tel: 011-49731304 nikhilesh.pandey@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research:
Acuité 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.