



Press Release
Morewell Tubes Private Limited
December 13, 2024
Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.10	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	1.90	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	27.00	-	-

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

Rating Rationale

Acuite has reaffirmed and withdrawn its long-term rating of ‘ACUITE BB-’ (read as ACUITE Double B minus) on the Rs. 25.10 Cr. bank facilities of Morewell Tubes Private Limited (MTPL).

Acuite has also withdrawn its long-term rating on the Rs. 1.90 Cr. bank facilities of Morewell Tubes Private Limited (MTPL) without assigning any rating as it is a proposed long-term facility.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the entity, and NOC (No Objection Certificate) received from the banker.

The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

About the Company

Incorporated in January 2012, Morewell Tubes Private Limited (MTPL) is a Muzaffarnagar, Uttar Pradesh based company engaged in manufacturing of High Frequency Induction Welding (HFIW) carbon steel tubes which started its operations from April 2019. The company is currently being managed by its directors Mr. Fakir Chand Mogha, Mr. Divanshu Mogha and Mr. Rajat Kumar Mogha.

Unsupported Rating

Not Applicable

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 the due date. Acuite believes that information risk is a critical component in such ratings, and non co-operation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

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.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 24 (Provisional)	FY 23 (Actual)
Operating Income	Rs. Cr.	81.73	43.82
PAT	Rs. Cr.	0.53	0.12
PAT Margin	(%)	0.65	0.27
Total Debt/Tangible Net Worth	Times	20.71	24.42
PBDIT/Interest	Times	1.95	1.87

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Aug 2024	Term Loan	Long Term	2.17	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Term Loan	Long Term	2.91	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Proposed Cash Credit	Long Term	1.90	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Cash Credit	Long Term	1.00	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Covid Emergency Line.	Long Term	5.02	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Upgraded from ACUITE B+)
	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Assigned)
16 Oct 2023	Cash Credit	Long Term	7.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	4.69	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	6.31	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
18 Jul 2022	Cash Credit	Long Term	7.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	4.69	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	6.31	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
19 Apr 2021	Cash Credit	Long Term	7.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	4.69	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	6.31	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Indian Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	28 Mar 2035	5.02	Simple	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.90	Simple	Not Applicable Withdrawn
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Mar 2035	2.17	Simple	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Mar 2035	2.91	Simple	ACUITE BB- Reaffirmed & Withdrawn Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research

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