



Press Release

Mohite Industries Limited

October 10, 2024

Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	86.15	IVR BB/Negative/INC* (IVR Double B/Negative Outlook/Issuer Not Cooperating)	IVR BB+/Stable (IVR Double B with Stable Outlook)	Downgraded and Migrated to ISSUER NOT COOPERATING Category	Simple
Short Term Bank Facilities	2.00	IVR A4/INC* (IVR A Four/Issuer Not Cooperating)	IVR A4+ (IVR A Four Plus)	Downgraded and Migrated to ISSUER NOT COOPERATING Category	Simple
Total	88.15	Rupees Eighty Eight Crore and Fifteen Lakhs Only			

* ISSUER NOT COOPERATING; Based on best available information

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Ratings

The rating has been downgraded and migrated to 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

Detailed Rationale

The rating revision is because of lack of adequate information regarding Mohite Industries Limited (MIL) performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The rating was due for review in August 2024. IVR took up with issuer to provide required information vide multiple E-mail communications latest by October 7, 2024, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate



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information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short term rating for the bank loan facilities aggregating to Rs.88.15 Crore of MIL have been downgraded and migrated to 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term and short term be noted as IVR BB/Negative/A4; ISSUER NOT CO-OPERATING based on best available information.

Analytical Approach: For arriving at the ratings, IVR has analysed MIL's credit profile by considering the standalone financial statements of the company.

Applicable Criteria:

[Rating Methodology for Manufacturing Entities](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitute Non-Cooperation by clients](#)

[Criteria of assigning rating outlook](#)

[Policy on default recognition](#)

[Complexity level of rated instruments/facilities](#)

About the Company

Mohite Industries Ltd was established in the year 1990 by Mr. Shivaji Mohite who is the managing director of the company. It is engaged in the production of cotton yarns and generating hydroelectricity. The group is engaged in various diversified fields of agriculture, mining, automobile, and infrastructure activities. MIL possesses an established track record of more than two decades in the business and is promoted by Chairman and managing director Mr. Shivaji Mohite and Joint Managing Director Ms. Monika Mohite who have rich experience for more than two decades in the industry. The promoters are assisted by experienced management team in the field of accounts, sales, and production to carry out day-to-day operations.

Mohite Industries in engaged primarily in 2 lines of business-

1. Textile (Production of cotton yarns)
2. Producing hydroelectricity among other activities.



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Financials (Standalone):

(Rs. crore)

For the year ended*/As on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	72.71	104.95
EBIDTA	18.78	14.78
PAT	2.93	0.91
Total Debt	83.28	76.29
Adjusted Tangible Net worth	103.06	103.97
EBIDTA Margin (%)	25.82	14.08
PAT Margin (%)	4.02	0.87
Overall Gearing Ratio (x)	0.81	0.23
Interest Coverage Ratio (x)	1.91	1.45

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (November 23, 2023)	Date(s) & Rating(s) assigned in 2023-24 (August 16, 2023)	Date(s) & Rating(s) assigned in 2022-23
1.	Fund Based	Long Term	86.15	IVR BB/Negative/INC	IVR BB+/Stable	IVR BBB-/Stable	-
2.	Non Fund Based	Short Term	2.00	IVR A4/INC	IVR A4+	IVR A3	-

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Covid-19 Loan	-	-	May 2025	2.49	IVR BB/Negative/INC
WCTL	-	-	June 2028	15.50	IVR BB/Negative/INC
LAP 1	-	-	May 2028	25.17	IVR BB/Negative/INC



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LAP 2	-	-	May 2028	18.47	IVR BB/Negative/INC
Term Loan	-	-	May 2025	2.52	IVR BB/Negative/INC
Cash Credit	-	-	-	22.00	IVR BB/Negative/INC
Bank Guarantee	-	-	-	2.00	IVR A4/INC

Annexure 2: Facility wise lender details.

<https://www.infomerics.com/admin/prfiles/Len-Mohite-Industries-10oct24.pdf>

Annexure 3: Detailed explanation of covenants of the rated securities/facilities: Not Applicable.

Annexure 4: List of companies considered for consolidated/combined analysis: Not Applicable.

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at <http://www.infomerics.com>.