

## Press Release

### SHIVALIK COTSYN LIMITED (SCL)

November 30, 2017

### Rating Reaffirmed (Indicative)



<b>Total Bank Facilities Rated</b>	Rs. 9.20 crore
<b>Long Term Rating</b>	SMERA D (Reaffirmed SMERA D)
<b>Short Term Rating</b>	SMERA D (Reaffirmed SMERA D)

*\* Refer Annexure for details*

SMERA has reviewed long-term and short-term rating of 'SMERA D' (read as SMERA D) on the bank facilities of Shivalik Cotsyn Limited (SCL). This is an indicative rating and based on best available information. Further as per CIBIL report, the account is classified in NPA as on July 31, 2017.

**Non-cooperation by the issuer/borrower:** SMERA 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 required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA'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). SMERA endeavored to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

### About the rated entity – Key financials

SCL, incorporated in 1993 and based out of Uttar Pradesh, is promoted by Mr. Subhash Gupta. The company is engaged in the spinning of cotton yarn and has an installed capacity of 12000 spindles. SCL specialises in production of 100 per cent cotton yarns (count range of 20s to 40s).

For FY2013-14, SCL reported profit after tax (PAT) of Rs.0.07 crore on operating income of Rs.32.25 crore, as compared with PAT of Rs.0.05 crore on operating income of Rs.19.75 crore in FY2012-13. The company's net worth stood at Rs.5.97 crore as on March 31, 2014, as compared with Rs.5.66 crore a year earlier.

### Applicable Criteria

- Manufacture Recognition - <https://www.smera.in/criteria-manufacture.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for the last three years:**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
5th Jul 16	Term Loan	Long Term	5.20	SMERA D (Assigned)
	Cash Credit	Short Term	4.00	SMERA D (Assigned)
8th May 15	Term Loan	Long Term	5.20	SMERA B/Stable (Assigned)
	Cash Credit	Short Term	4.00	SMERA B/Stable (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
Term Loan	NA	NA	NA	5.20	SMERA D (Reaffirmed/Indicative)
Cash Credit	NA	NA	NA	4.00	SMERA D (Reaffirmed/Indicative)

**Contacts:**

Analytical	Rating Desk
Vinayak Nayak, Head –Ratings Operations, Tel: 022-67141190 Email: <a href="mailto:vinayak.nayak@smera.in">vinayak.nayak@smera.in</a>  Pawan Punmaji Rating Analyst Tel: 022-67141352 Email: <a href="mailto:pawan.punmaji@smera.in">pawan.punmaji@smera.in</a>	Varsha Bist, Sr. Executive Tel: 022-67141160 Email: <a href="mailto:varsha.bist@smera.in">varsha.bist@smera.in</a>

**ABOUT SMERA**

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit [www.smera.in](http://www.smera.in).

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.