

Press Release

Ganesh Cotton Industries

(GCI)

November 15, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 6.25 #
Long Term Rating	SMERA B Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed ratings of '**SMERA B** (read as SMERA B)' and short-term rating of '**SMERA A4**' (read as SMERA A four) on the above bank facilities of Ganesh Cotton Industries (GCI). This is an indicative rating.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance and 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.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing entities - <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured 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

Gujarat-based GCI is a partnership firm which was established in 2013 by Mr. Vitthalbhai Jeevan Patel and others. The firm is engaged in the manufacturing (ginning and pressing) of cotton bales and has an installed capacity of 12636 mt per annum.

In FY2015-16, the firm reported net profit after tax (PAT) of Rs.0.37 crore on operating income of Rs.18.02 crore as against net loss of Rs.1.04 crores on operating income of Rs.19.57 crores in the previous year.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
22-September-2016	Term Loan	Long Term	1.65	SMERA B/ Stable (Assigned)
	Cash Credit	Long Term	4.50	SMERA B/ Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.10	SMERA A4 (Assigned)

#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	1.65	SMERA B Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	SMERA B Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.10	SMERA A4 Issuer not co-operating*

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

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ABOUT SMERA

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