

## Press Release

### Shalibhadra Corporation

August 14, 2019



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 11.50 Cr. #
<b>Long Term Rating</b>	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE BB+/Stable)

# Refer Annexure for details

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

Acuité has downgraded the long-term rating of '**ACUITE B-**' (**read as ACUITE B minus**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) on the Rs. 11.50 crore bank facilities of Shalibhadra Corporation (SC). This rating is now an indicative rating and is based on best available information.

The downgrade in the rating is on account of absence of adequate feedback on the banking conduct of the firm.

The Shalibhadra Group (SG) was established in 1986 by the Late Shree Govindji J Khona to trade in raw cotton bales. Currently, the operations are being led by Mr. Ravindra G Khona (son) and Mr. Priyen R Khona (grandson). The group is engaged in the trading of full pressed cotton bales in Gujarat, Maharashtra and Tamil Nadu. The group comprises of Shalibhadra Traders (ST) and Shalibhadra Corporation (SC) proprietorship firms established in 1986 and 1999 respectively; while Shalibhadra Cottrade Private Limited (SCPL) was incorporated in 1992. The group supplies cotton for making of yarn with count ranging from 20's to 60's (staple of 24 mm to 30 mm cotton).

#### 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>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-22.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 requests.

#### 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
28-May-2018	Cash Credit	Long Term	11.50	ACUITE BB+ / Stable (Reaffirmed)
25-Mar-2017	Cash Credit	Long Term	10.00	ACUITE BB+ / Stable (Assigned)

### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.50	ACUITE B- Issuer not co-operating* (Downgraded from ACUITE BB+/Stable)

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

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### About Acuité Ratings & Research:

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