

## Press Release

### Shalibhadra Corporation

January 22, 2020

### Rating Update



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

# Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B-**' (read as **ACUITE B minus**) on the Rs. 14.00 crore bank facilities of Shalibhadra Corporation (SC). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information available on public domain.

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 (SCPI) 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-60.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 endeavored 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
14-Aug-2019	Cash Credit	Long Term	11.50	ACUITE B- (Indicative)
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 D (Downgraded from ACUITE B-) Issuer not co-operating*

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

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#### About Acuité Ratings & Research:

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