# Press Release

## Shalibhadra Traders

August 14, 2019

**Rating Update**

| | |
|---|---|
| **Total Bank Facilities Rated*** | Rs. 14.00 Cr. # |
| **Long Term Rating** | ACUITE B-<br>Issuer not co-operating*<br>(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. 14.00 crore bank facilities of Shalibhadra Traders (ST). 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 facilities 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 (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.

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 | 14.00 | ACUITE BB+ / Stable (Reaffirmed) |
| 25-Mar-2017 | Cash Credit | Long Term | 13.00 | 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 | 14.00 | ACUITE B- Issuer not co-operating* (Downgraded from ACUITE BB+/Stable) |

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

## Contacts


| Analytical | Rating Desk |
|---|---|
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**About Acuité Ratings & Research:**
Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.