

Press Release

Shrinath Cofab

April 14, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.50	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	20.00	ACUITE B Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	21.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and the short term rating of '**ACUITE A4**' (Read as **ACUITE A four**) on the Rs. 21.50 crore bank facilities of Shrinath Cofab. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Shrinath Cofab, a partnership firm, incorporated in the year 2013, is engaged in manufacturing of digital printed terry towels with new technically automated Airjet rapier looms. The promoters of the firm Mr. Amit Chandak and Mr. Mahavirprasad Khandelwal have more than a decade of experience in the textile business. The firm has its manufacturing facility located in Solapur with an installed capacity of 6 tons per day of terry towel and is going to run at 80 per cent utilization.

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 the due date.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Jan 2021	Term Loan	Long Term	15.00	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Issuer not co-operating*)
22 Oct 2019	Term Loan	Long Term	15.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE B (Issuer not co-operating*)

28 Jul 2018	Cash Credit	Long Term	5.00	ACUITE B (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	15.00	ACUITE B (Issuer not co-operating*)
23 May 2017	Cash Credit	Long Term	5.00	ACUITE B Stable (Assigned)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Assigned)
	Term Loan	Long Term	15.00	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4 Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B Reaffirmed Issuer not co- operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	31-03-2026	15.00	ACUITE B Reaffirmed Issuer not co- operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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