

Press Release

Shivshakti Cotex

July 02, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 9.70 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of „**ACUITE B+** (read as **ACUITE B plus**) on the Rs. 9.70 crore bank facilities of Shivshakti Cotex (SC). This rating is now an indicative rating and is based on best available information.

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/criteria-default.htm>
- Manufacturing Entities -<https://www.acuite.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). 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

Shivshakti Cotex (SC) established in 2013 was promoted by Mr. Jayeshkumar Patel, Mr. Dilipkumar Patel amongst others. The firm is engaged in the ginning and pressing of cotton bales and also sells cotton seeds. The manufacturing facility is located at Kadi, District Mehsana. SC has 30 ginning machines and 1 pressing machine with capacity to produce 6000 bales of cotton.

About the Rated Entity - Key Financials

For FY2015-16, the firm reported profit after tax (PAT) of Rs.0.03 crore on operating income of Rs.71.32 crore, as compared with net profit of Rs.0.02 crore on operating income of Rs.48.91 crore in FY2014-15. The tangible net worth stood at Rs.7.52 crore as on 31 March, 2016 against Rs.5.72 crore a year earlier. (Tangible net worth includes subordinated quasi equity of Rs.5.32 crore for FY2016 and Rs.3.87 crore for FY2015.)

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
05-Jul-2017	Term Loan	Long Term	1.70	ACUITE B+ / Stable (Assigned)
	Cash Credit	Long Term	8.00	ACUITE B+ / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE B+ Issuer not co-operating*
Term loan	Not Applicable	Not Applicable	Not Applicable	1.70	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:

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.

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