

Press Release

Shreekrishna Cotton Company

August 24, 2021

Rating Update



Total Bank Facilities Rated*	Rs.8.43 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Acuite has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.8.43 crore bank facilities of Shreekrishna Cotton Company (SKCC). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

SKCC is a Nagpur-based partnership firm established in 2013 by Mr. Narendra Chandak and Mr. Jaiprakash Chandak. The firm started off trading in cotton bales, seeds, oil & cotton cake initially and subsequently, commenced manufacturing of the above at Saoner Malegaon in Nagpur (Maharashtra) from FY2017.

Non-cooperation by the issuer/borrower:

Acuite 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.

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

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

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

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

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)

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.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
18 June, 2020	Term Loan	Long term	3.75	ACUITE B+ Issuer not co-operating*
	Cash Credit	Long Term	3.70	ACUITE B+ Issuer not co-operating*
	Bank Guarantee	Short Term	0.07	ACUITE A4 Issuer not co-operating*
	Proposed Bank Facility	Long Term	0.91	ACUITE B+ Issuer not co-operating*
02 Apr, 2019	Term Loan	Long term	3.75	ACUITE B+ Issuer not co-operating*
	Cash Credit	Long Term	3.70	ACUITE B+ Issuer not co-operating*
	Bank Guarantee	Short Term	0.07	ACUITE A4 Issuer not co-operating*
	Proposed Bank Facility	Long Term	0.91	ACUITE B+ Issuer not co-operating*
29 Jan, 2018	Term Loan	Long term	3.75	ACUITE B+/Stable (Assigned)
	Cash Credit	Long Term	3.70	ACUITE B+/Stable (Assigned)
	Bank Guarantee	Short Term	0.07	ACUITE A4 (Assigned)
	Proposed Bank Facility	Long Term	0.91	ACUITE B+/Stable (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Punjab National Bank	Term Loan	Not Available	Not Available	Not Available	3.75	ACUITE B+ Issuer not co-operating*
Punjab National Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.70	ACUITE B+ Issuer not co-operating*
Punjab National Bank	Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.07	ACUITE A4 Issuer not co-operating*
Punjab National Bank	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.91	ACUITE B+ Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
<p>Pooja Ghosh Head - Corporate and Infrastructure Sector Ratings Tel: 033-66201203 pooja.ghosh@acuite.in</p> <p>Srijita Chatterjee Analyst- Rating Operations Tel: 033-66201200 srijita.chatterjee@acuite.in</p>	<p>Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,616 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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