

## Press Release

### SILKON SYNTHETICS AND COTTON DYEING PRIVATE LIMITED

November 11, 2019

#### Rating Withdrawn



<b>Total Bank Facilities Rated*</b>	Rs. 10.00 Cr.
<b>Long Term Rating</b>	ACUITE BB Withdrawn - Indicative

\* Refer Annexure for details

#### Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) on the Rs. 10.00 crore bank facilities of SILKON SYNTHETICS AND COTTON DYEING PRIVATE LIMITED (SSCD).

The rating has been withdrawn on account of request received from the company and NOC received from the banker.

Silkon Synthetics and Cotton Dyeing Private Limited (SSCD) was incorporated in 2004 by Mr. Mithalal Motilal Jain, Mr. Ashok Motilal Jain, Mr. Sumer Motilal Jain and Mr. Dilip Mithalal Jain. SSCD is engaged in the business of dyeing of yarn on job work basis for others as well as for own selling, sizing of fabrics on job work for others and sale of fabrics in both cotton and synthetics segments. The manufacturing facility is located at Bhiwandi (Maharashtra) with an installed capacity of 23,00,000 Kgs for yarn dyeing and 6,00,000 Kgs for sizing per annum.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

#### About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	26.37	23.54	24.21
EBITDA	Rs. Cr.	2.94	2.82	3.39
PAT	Rs. Cr.	0.54	0.80	1.09
EBITDA Margin	(%)	11.13	11.99	14.01
PAT Margin	(%)	2.06	3.38	4.51
ROCE	(%)	9.35	9.99	13.87
Total Debt/Tangible Net Worth	Times	1.26	1.13	0.41
PBDIT/Interest	Times	2.18	2.42	3.70
Total Debt/PBDIT	Times	4.32	3.75	1.62
Gross Current Assets (Days)	Days	274	280	241

#### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

#### 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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
08-Aug-2019	Cash Credit	Long Term	6.00	ACUITE BB (Indicative)
	Proposed Bank Facility	Long Term	4.00	ACUITE BB (Indicative)
29-May-2018	Cash Credit	Long Term	6.00	ACUITE BB/Stable (Assigned)
	Proposed Bank Facility	Long Term	4.00	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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB (Withdrawn)

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### About Acuité Ratings & Research:

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