

## Press Release

Jaydeep Cotton Fibres Private Limited

April 07, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	110.04	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	39.50	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	149.54	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A Four plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs. 149.54 crore bank facilities of Jaydeep Cotton Fibres Private Limited (JCFPL). This rating is now an indicative rating and is based on best available information.

### About the Company

Incorporated in 1997, Jaydeep Cotton Fibres Pvt. Ltd. (JCFPL) is involved in ginning and pressing of raw cotton. It is also engaged in trading of raw cotton, cotton bales and other agro-based commodities. JCFPL also has a power unit, namely "Pan Power" by installing a solar project in Rajkot, Gujarat. At present, the company is headed by Mr. Chirag Pan and Mr. Alpesh Pan. The factory is located at Shapar, Gujarat. The company markets its cotton bales under the brand name "Jaycot", which is recognised in domestic and international market.

The company is a part of the Jaycot group, which has diversified business interests across cement, laminate manufacturing, agriculture equipment and agro-commodities trading, health sector.

### 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 due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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.

### 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 ratings is based.

### Rating Sensitivities

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

### Material Covenants

None

### Liquidity Indicators

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

### Outlook

Not Applicable

### 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

None

### Any other information

None

### Applicable Criteria

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

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Jan 2021	Cash Credit	Long Term	75.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	0.86	ACUITE BBB+   Stable (Reaffirmed)
	Bills Discounting	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Working Capital Term Loan	Long Term	25.00	ACUITE BBB+   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	9.18	ACUITE BBB+   Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	29.50	ACUITE A2 (Reaffirmed)
22 Oct 2019	Working Capital Term Loan	Long Term	25.00	ACUITE BBB+   Stable (Assigned)
	Proposed Bank Facility	Short Term	29.50	ACUITE A2 (Assigned)
	Term Loan	Long Term	3.04	ACUITE BBB+   Stable (Assigned)
	Bills Discounting	Short Term	10.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	82.00	ACUITE BBB+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Kotak Mahindra Bank	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	75.00	ACUITE BB+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	9.18	ACUITE BB+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	29.50	ACUITE A4+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	01-04-2017	12.75	31-03-2021	0.86	ACUITE BB+   Downgraded   Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	25.00	ACUITE BB+   Downgraded   Issuer not co-operating*

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### About Acuité Ratings & Research

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