



## Press Release

### JAYDEEP COTTON FIBRES PRIVATE LIMITED

June 26, 2023

### Rating Reaffirmed and Issuer not co-operating

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

## Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB+**' (read as **ACUITE Double B plus**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A Four plus**) on the Rs. 149.54 crore bank facilities of Jaydeep Cotton Fibres Private Limited (JCFPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the 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.

## About the Group

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 the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation 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). 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 ratings is based.

### **Rating Sensitivity**

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

### **Material Covenants**

Not Applicable

### **Liquidity Position**

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

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

Not Applicable

## Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	488.60	885.34
PAT	Rs. Cr.	11.31	14.88
PAT Margin	(%)	2.32	1.68
Total Debt/Tangible Net Worth	Times	1.15	1.37
PBDIT/Interest	Times	2.76	2.97

### Status of non-cooperation with previous CRA

None

### Any other information

The rated entity has not shared the latest financial statements despite repeated requests.

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Apr 2022	Proposed Bank Facility	Short Term	29.50	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	10.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.86	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Working Capital Term Loan	Long Term	25.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	9.18	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	75.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
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)

## Annexure - Details of instruments rated

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

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Suman Paul Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:suman.paul@acuite.in">suman.paul@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.