



Press Release

Jaydeep Cotton Fibres Private Limited
September 23, 2024

Rating Downgraded, Reaffirmed 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+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	149.54	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and reaffirmed 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) on account of information risk. 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. Set up in 1982, Gujarat based Pan Agri Export (PAE) is a partnership firm

engaged into ginning & pressing of raw cotton and manufacturing cottonseed oil. The partners are Mr. Mansukhbhai Patel, Mrs. Ila Arvindbhai Patel, Mr. Arvindbhai Patel, Mr. Chiragbhai Patel and Mr. Alpeshbhai Patel. The firm is a part of the Pan group, which has diversified business interest across cement, laminate manufacturing, agriculture equipment and agrocommodities trading, health sector.

Unsupported Rating

Not Applicable

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 the due date.

Acuité 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 Acuité'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 rating is based.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 Jun 2023	Bills Discounting	Short Term	10.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Proposed Short Term Bank Facility	Short Term	29.50	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	25.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	75.00	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.86	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	9.18	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
07 Apr 2022	Working Capital Term Loan	Long Term	25.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+ Stable)
	Cash Credit	Long Term	75.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+ Stable)
	Term Loan	Long Term	0.86	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+ Stable)
	Proposed Long Term Bank Facility	Long Term	9.18	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+ Stable)
	Bills Discounting	Short Term	10.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)
	Proposed Short Term Bank Facility	Short Term	29.50	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)
12 Jan 2021	Bills Discounting	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	29.50	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	75.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	9.18	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	0.86	ACUITE BBB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	25.00	ACUITE BBB+ Stable (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 avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	75.00	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	9.18	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	29.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.86	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)
Kotak Mahindra Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	25.00	ACUITE BB Downgraded Issuer not co-operating* (from ACUITE BB+)

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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.

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