

January 6, 2026

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
BSE Scrip Code: 544448

To,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East), Mumbai 400 051
NSE Symbol: PASHUPATI

Sub: Intimation of Upgradation of Credit Ratings under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir /Madam,

Pursuant to Regulation 30(6) read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that Infomerics Valuation and Rating Limited (the "Infomerics") has upgraded the credit ratings assigned to the bank facilities of the Pashupati Cotspin Limited (the "Company"). The details are as under:

Credit Rating Agency	Total Bank Loan Facilities Rated	Type of Facilities	Rating
Infomerics Valuation and Rating Limited (the "Infomerics")	Rs. 125.92 Crore	Long Term Bank Facilities	IVR BBB-/ Stable (IVR triple B minus with Stable Outlook)
		Short Term Bank Facilities	IVR A3 (IVR A Three)

The rating communication dated January 5, 2026, issued by the Infomerics and uploaded on their website on the same date, was received and confirmed by the Company on January 6, 2026. The corresponding press release issued by the Infomerics is enclosed herewith.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,
For, Pashupati Cotspin Limited

Saurin Jagdish Bhai Parikh
Managing Director
DIN: 02136530



Press Release

Pashupati Cotspin Limited

January 05, 2026

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	114.92 (reduced from Rs.141.92 Cr) (includes proposed facility of Rs.4.26 Cr)	IVR BBB-/ Stable (IVR triple B minus with Stable Outlook)	IVR BB+/ Stable (IVR double B plus with Stable outlook)	Rating upgraded	Simple
Short Term Bank Facilities	11.00	IVR A3 (IVR A three)	IVR A4+ (IVR A Four plus)	Rating upgraded	Simple
Total	125.92 (INR one hundred twenty-five crores and ninety-two lakhs only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The upgrade in the ratings assigned to the bank facilities of Pashupati Cotspin Limited (PCL) derives strength from strong business risk profile of the company. The ratings also favourably factors in experienced management and long track record of operations of the company and above average financial risk profile. However, these rating strengths are constrained due to highly competitive & fragmented nature of the industry and exposure to cyclical risk, inherent risk in the textile industry.

The long-term rating outlook of PCL is Stable as it is supposed to benefit from the extensive experience of the promoters along-with strong business risk profile.

Key Rating Sensitivities:

Upward Factors

- Significant and sustained growth in scale of operations with improvement in profitability and cash accruals.
- Improvement in capital structure and debt protection metrics on a sustained basis.



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- Managing working capital requirement efficiently leading to improvement in the operating cycle with improvement in liquidity.

Downward Factors

- Decline in the revenue and/ or profits leading to an overall deterioration in the financial risk profile of the company.
- Moderation in capital structure and/ or coverage indicators.
- Elongation in the operating cycle with moderation in liquidity

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Strong business risk profile of the company**

The revenue of the company decreased by 2.14% to Rs.646.96 Cr in FY2025 (refers to period 1st April 2024, to 31st March 2025) from Rs.661.09 Cr in FY2024 (refers to period 1st April 2023, to 31st March 2024) due to weak demand and falling prices for cotton yarn. Nevertheless, the company has already achieved a revenue of Rs.347.93 Cr in H1FY2026 (Provisional) (refers to period 1st April 2025, to 30th September 2025). The profitability margins of the company increased in FY2025, however, the same has been expected to remain range bound. The EBITDA margin of the company has increased to 5.44% in FY2025 to 4.99% in FY2024. Again, the PAT margin of the company increased to 1.98% in FY2025 from 1.24% in FY2024. The sustenance of the growth of the revenue of the company will be a key rating sensitivity in the medium term.

Further, the company's manufacturing facility is located in Kadi, Gujarat, which is in close proximity to the plants of various end users across the value chain of the textile industry and helps to maintaining close relationships with its customers and supplying yarns to them with minimum lead time.

- **Long track record of operations and experienced management**

Pashupati Cotspin Limited, based in Kadi, Gujarat, is a family-owned business founded in 1993 by Mr. Saurin Parikh and his family. It started as a small cotton ginning company and has since expanded into various textile-related activities. Mr. Parikh, with over 20 years of experience in textile processing, leads the company and also serves as the president of the Gujarat Textile Association. Other family members, serving as directors, manage daily



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operations. Under Mr. Parikh's leadership, the "Pashupati" brand has established a strong presence in both domestic and international markets.

- **Above average financial risk profile**

The capital structure of the company remained comfortable with its satisfactory net worth base supported by its low reliance on external debt. The company's adjusted tangible net worth increased to Rs.119.93 crore as on March 31, 2025, as compared to Rs.76.39 crore as on March 31, 2024. Overall adjusted Gearing of the company stood comfortable at 0.85x times as on March 31, 2025, as against 2.56x as on March 31, 2024. The Total outside Liabilities/ Adjusted Tangible Net Worth (TOL/ATNW) stood moderate at 1.09x as on March 31, 2025, as against 3.10x as on March 31, 2024. The debt protection metrics of the company stood comfortable marked by Interest Coverage Ratio at 2.68x as on March 31, 2025, and Debt Service Coverage Ratio at 1.08x as on March 31, 2025. Going forward, the capital structure of the company will improve in absence of any capex plan.

Key Rating Weaknesses

- **Highly competitive & fragmented nature of the industry**

The spectrum of the yarn industry in which the company operates is highly fragmented and competitive due to the presence of numerous players in India owing to relatively low entry barriers. Most players in the industry thus do not have pricing power and are exposed to the prices dictated by the large-scale spinners in India. On the raw material side, the prices of cotton are determined by the demand and supply situation and minimum support prices announced by the Government.

- **Exposure to cyclicity, inherent risk in the textile industry**

The textile industry is highly cyclical. Cotton and yarn prices fluctuate based on macroeconomic factors, including, amongst others, demand-supply scenarios, monsoons, etc. Adverse volatility in yarn and/or cotton prices will have an adverse effect on the company's performance.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)



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[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of assigning rating outlook](#)

[Policy on default recognition](#)

[Complexity level of rated Instruments/Facilities](#)

Liquidity– Adequate

The liquidity position of the company is adequate. The gross cash accruals stood at Rs.26 Cr as on March 31, 2025 as against long term debt repayment of Rs.23.22 Cr for the same period. The cash and bank balances of the company stood at Rs.0.02 Cr as on March 31, 2025. Further, the current ratio stood comfortable at 1.68x as on March 31, 2025 and the Quick Ratio also stood comfortable at 1.21x as on March 31, 2025. The average fund-based limit utilisation remains moderate at around 61.38% over the twelve months ended October 2025.

About the Company

Pashupati Cotspin Limited, a Kadi, Gujarat based company was established as a partnership firm in 2013 by Mr. Saurin Parikh and his family and is engaged in ginning and spinning of cotton yarn. Further, it was reconstituted into a public limited company in 2017 and subsequently listed on the SME platform of NSE. The current directors of the company are Mr. Saurin Jagdish Bhai Parikh, Mr. Tushar Ramesh Chandra Trivedi and Mr. Dakshesh Jayantilal Patel.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025	H1FY2025	H1FY2026
	Audited	Audited	Unaudited	Unaudited
Total Operating Income	661.09	646.96	344.69	347.93
EBITDA	33.00	35.23	15.31	12.66
PAT	8.30	12.88	6.12	6.07
Total Debt	150.59	99.40	-	-
Tangible Net Worth	76.39	119.93	-	-
EBITDA Margin (%)	4.99	5.44	4.44	3.64
PAT Margin (%)	1.24	1.98	1.76	1.72
Overall Gearing Ratio (x)	2.56	0.85	-	-
Interest Coverage (x)	1.94	2.68	2.30	2.22

* Classification as per Infomerics' standards.



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Status of non-cooperation with previous CRA:

Brickwork Rating has maintained the ratings of PCL's in the Issuer Not Cooperating category on account of inadequate information and lack of management cooperation in the rating procedure despite repeated follow ups as per the Press Release dated February 24, 2025.

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					February 19, 2025		
1.	Term Loans	Long Term	30.78	IVR BBB-/ Stable	IVR BB+/ Stable	-	-
2.	GECL	Long Term	14.38	IVR BBB-/ Stable	IVR BB+/ Stable	-	-
3.	Cash Credit	Long Term	65.00	IVR BBB-/ Stable	IVR BB+/ Stable	-	-
4.	Dropline OD	Long Term	0.50	IVR BBB-/ Stable	IVR BB+/ Stable	-	-
5.	Proposed fund-based facility	Long Term	4.26	IVR BBB-/ Stable	-	-	-
6.	Overdraft	Short Term	5.00	IVR A3	IVR A4+	-	-
7.	Bank Guarantee	Short Term	6.00	IVR A3	IVR A4+	-	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Private Limited] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt



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instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan- 5	-	-	-	March 2027	7.22	IVR BBB-/Stable
Term Loan- 6	-	-	-	March 2026	0.26	IVR BBB-/Stable
Term Loan- 7	-	-	-	March 2026	0.30	IVR BBB-/Stable
GECL 2.0	-	-	-	March 2027	5.94	IVR BBB-/Stable
GECL 2.0 Extn	-	-	-	March 2028	8.44	IVR BBB-/Stable
Term Loan-1	-	-	-	March 2029	7.25	IVR BBB-/Stable
Term Loan-2	-	-	-	March 2030	14.45	IVR BBB-/Stable
Term Loan-3	-	-	-	March 2029	1.30	IVR BBB-/Stable
Cash Credit-1	-	-	-	-	31.87	IVR BBB-/Stable
Cash Credit-2	-	-	-	-	33.13	IVR BBB-/Stable
Dropline OD	-	-	-	-	0.50	IVR BBB-/Stable
Proposed fund- based facility	-	-	-	-	4.26	IVR BBB-/Stable



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Overdraft	-	-	-	-	5.00	IVR A3
Bank Guarantee	-	-	-	-	6.00	IVR A3

Annexure 2: Facility wise lender details

https://infomericstorage.blob.core.windows.net/uploads/len_pashupati_cotspin_jan26_bdf25148a.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

