

Press Release

Giriraj Cotex Ginning & Pressing

July 04, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.40	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	6.60	ACUITE B Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	8.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 8.00 crore bank facilities of Giriraj Cotex Ginning & Pressing (GCGP). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Established in 2014, GCGP is a partnership firm promoted by Mr. Rajesh M Vyas and family, based out of Wardha, Maharashtra. The firm is engaged in manufacturing of cotton bales and cotton seeds. It launched commercial operations in October, 2015. The factory unit is located in proximity of cotton growing areas in Wardha and has the capacity to manufacture 240 cotton bales per day. The present partners of the firm are Mr. Vinod Kumar M Vyas, Mr. Gaurav R Vyas, Mr. Madhav R Vyas, Mr. Rajesh M Vyas and Mr. Shubham V Vyas.

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 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 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."

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Apr 2021	Proposed Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	3.60	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Short Term	1.40	ACUITE A4 (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)

13 Jan 2020	Term Loan	Long Term	3.60	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Short Term	1.40	ACUITE A4 (Issuer not co-operating*)
13 Oct 2018	Proposed Working Capital Demand Loan	Short Term	1.40	ACUITE A4 (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	3.60	ACUITE B (Issuer not co-operating*)
26 Sep 2017	Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Term Loan	Long Term	3.60	ACUITE B (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE B (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Short Term	1.40	ACUITE A4 (Issuer not co-operating*)
25 May 2016	Cash Credit	Long Term	1.50	ACUITE B Stable (Assigned)
	Term Loan	Long Term	3.60	ACUITE B Stable (Assigned)
	Proposed Cash Credit	Long Term	1.50	ACUITE B Stable (Assigned)
	Proposed Working Capital Demand Loan	Short Term	1.40	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	1.40	ACUITE A4 Reaffirmed Issuer not co- operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	3.60	ACUITE B Reaffirmed Issuer not co- operating*

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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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