

## Press Release

### Maharaja Cotspin Limited

November 19, 2018



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 68.00 Cr.#
<b>Long Term Rating</b>	ACUITE BB Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

\*The issuer did not co-operate; based on best available information.

### Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE BB**' (**read as ACUITE double B**) and short-term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 68.00 crore bank facilities of Maharaja Cotspin Limited. This rating is now an indicative rating and is based on best available information.

#### 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities -<https://www.acuite.in/view-rating-criteria-4.htm>

#### 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 endeavoured 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:

Maharaja Cotspin Limited (MCL), incorporated in April 2010 manufactures polyester fabrics. The company is engaged in the spinning of acrylic and polyester yarn along with sale of polyester fabric.

#### About the Rated Entity - Key Financials

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	124.95	138.50	97.15
EBITDA	Rs. Cr.	15.86	14.85	9.33
PAT	Rs. Cr.	1.34	0.46	1.35
EBITDA Margin	(%)	12.69	10.72	9.60
PAT Margin	(%)	1.07	0.33	1.39
ROCE (%)	(%)	16.68	16.93	15.74
Total Debt/Tangible Net Worth	Times	2.56	3.28	2.08
PBDIT/Interest	Times	2.18	2.26	2.17
Total Debt/PBDIT	Times	2.25	2.68	3.20
Gross Current Assets (Days)	Days	634	710	679

**Status of non-cooperation with previous CRA (if applicable)**

None

**Any other information**

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

**Rating History (Upto last three years)**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
06-Oct-2017	Cash Credit	Long Term	10.00	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	35.90	ACUITE BB Issuer not co-operating*
	Standby Line of Credit	Long Term	1.00	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	0.04	ACUITE BB Issuer not co-operating*
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB Issuer not co-operating*
	Post Shipment Credit	Short Term	5.00	ACUITE A4+ Issuer not co-operating*
	Bank Guarantee	Short Term	0.60	ACUITE A4+ Issuer not co-operating*
	Buyers Credit	Short Term	15.00	ACUITE A4+ Issuer not co-operating*
18-Jul-2016	Cash Credit	Long Term	10.00	ACUITE BB/Stable
	Term Loan	Long Term	35.90	ACUITE BB/Stable
	Standby Line of Credit	Long Term	1.00	ACUITE BB/Stable
	Term Loan	Long Term	0.04	ACUITE BB/Stable
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB/Stable
	Post Shipment Credit	Short Term	5.00	ACUITE A4+
	Bank Guarantee	Short Term	0.60	ACUITE A4+
	Buyers Credit	Short Term	15.00	ACUITE A4+

**\*Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	35.90	ACUITE BB Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.46	ACUITE BB Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE A4+ Issuer not co-operating*
Buyers Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.04	ACUITE BB Issuer not co-operating*
Standby Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB Issuer not co-operating*

\*The issuer did not co-operate; based on best available information.

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**About Acuité Ratings & Research:**

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