



**Press Release**  
**Maharaja Cotspin Limited**  
**June 20, 2022**

**Rating Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.60	-	ACUITE D   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	47.40	ACUITE D   Reaffirmed   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	68.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed the long term rating of **'ACUITE D' (read as ACUITE D)** and short term rating of **'ACUITE D' (read as ACUITE D)** on the Rs. 68.00 crore bank facilities of Maharaja Cotspin Limited. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

**About the Company**

Maharaja Cotspin Limited (MCL) was incorporated in April, 2010 in Ludhiana by Mr. Ashok Kumar Makkar, Mr. Sanjeev Makkar and Mr. Manoj Makkar and is engaged in the business of spinning of acrylic & polyester yarn and the manufacture of polyester fabrics. It has one spinning facility and one manufacturing facility in Ludhiana – the textile hub of India. It markets its polyester fabric under its own brand "Maharaja Gold" in both India and in several export markets. Key export markets include Mexico and Pakistan – however it also supplies to several players in South-East Asian markets.

**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 noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

**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**

Not Applicable

**Liquidity Position**

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

**Outlook**

Not Applicable

**Status of non-cooperation with previous CRA**

Not Applicable

**Any other information**

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

**Applicable Criteria**

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
22 Mar 2021	Proposed Long Term Loan	Long Term	0.46	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	35.90	ACUITE D (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	0.04	ACUITE D (Issuer not co-operating*)
	Post Shipment Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)
	Buyers Credit	Short Term	15.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.60	ACUITE D (Issuer not co-operating*)
23 Dec 2019	Cash Credit	Long Term	10.00	ACUITE D (Issuer not co-operating*)
	Buyers Credit	Short Term	15.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.60	ACUITE D (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.00	ACUITE D (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.46	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	35.90	ACUITE D (Issuer not co-operating*)
	Post Shipment Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	0.04	ACUITE D (Issuer not co-operating*)
19 Nov 2018	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*)
	Buyers Credit	Short Term	15.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	35.90	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*)
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE BB (Issuer not co-operating*)
	Post Shipment Credit	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
		Long		ACUITE BB (Issuer not co-

06 Oct 2017	Term Loan	Term	35.90	operating*)
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB (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*)
	Term Loan	Long Term	0.04	ACUITE BB (Issuer not co-operating*)
	Standby Line of Credit	Long Term	1.00	ACUITE BB (Issuer not co-operating*)
18 Jul 2016	Cash Credit	Long Term	10.00	ACUITE BB   Stable (Assigned)
	Term Loan	Long Term	35.90	ACUITE BB   Stable (Assigned)
	Standby Line of Credit	Long Term	1.00	ACUITE BB   Stable (Assigned)
	Term Loan	Long Term	0.04	ACUITE BB   Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.46	ACUITE BB   Stable (Assigned)
	Post Shipment Credit	Short Term	5.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	0.60	ACUITE A4+ (Assigned)
	Buyers Credit	Short Term	15.00	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Buyers Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.46	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.04	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	35.90	ACUITE D   Reaffirmed   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuите.in">aditya.gupta@acuите.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuите.in">rating.desk@acuите.in</a>
Abhishek Singh Junior Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuите.in">abhishek.s@acuите.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.