

## Press Release

### Laxmi Cotton Industries (LCI)

26 October, 2017



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs.5.00 Cr
<b>Long Term Rating (Indicative)</b>	SMERA B+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA B+**' (read as **SMERA b plus**) on the Rs. 5.00 crore bank facilities of Laxmi Cotton Industries (LCI). This rating is now an indicative rating and is based on best available information.

**Non-cooperation by the issuer/borrower:** SMERA 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 SMERA's policies.

### Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**About the Rated Entity:** LCI, a partnership firm was established in 2005 by Mr. Babubhai, Mr. Ambalal B Patel, Mr. Jayesh A Patel and others. The firm, based out of Mehesana, Gujarat manufactures cotton bales and kapasiya. The installed manufacturing capacity stands at 10 cotton bales and 400 quintal of kapasiya per day.

In FY2014-15, the firm reported PAT (profit after tax) of Rs.0.05 crore on operating income of Rs.24.73 crore.

**Rating History for the last three years:**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
13-Sep-2016	Cash Credit	Long Term	5.00	SMERA B+/Stable (Assigned)

**Annexure – Details of instruments rated:**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	5.00	SMERA B+ Issuer not co-operating*

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

**Contacts:**

Analytical	Rating Desk
Vinayak Nayak, Head – Ratings Operations, SMERA Bond Ratings Tel: 022-67141190 Email: <a href="mailto:vinayak.nayak@smera.in">vinayak.nayak@smera.in</a>  Vishal Choudhary, Senior Rating Analyst, Tel: 022-67141159 Email: <a href="mailto:vishal.choudhary@smera.in">vishal.choudhary@smera.in</a>	Varsha Bist Sr. Executive Tel: 022-67141160 Email: <a href="mailto:varsha.bist@smera.in">varsha.bist@smera.in</a>

**ABOUT SMERA**

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*and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA 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. SMERA ratings 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.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.*