

Press Release

Mahalaxmi Cotton

June 29, 2018



Rating Updated

Total Bank Facilities Rated*	Rs. 7.56 Cr
Long Term Rating (Indicative)	ACUITE B Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

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

Acuité has reviewed the long term rating of '**ACUITE B**' (**read as ACUITE B**) on the Rs. 6.00 crore bank facilities of Mahalaxmi Cotton. This rating is now an indicative rating and is based on the 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

- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Application of Financial Ratios & Adjustments <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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 endeavored 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:

Mahalaxmi Cotton was established in the year 2013 as a partnership firm. The firm is engaged in ginning and pressing of Cotton bales and it is located in Kadi, Gujarat. It has a production capacity of 25000 bales p.a. The firm also carries out cottonseed crushing to produce cottonseed oil and cottonseed oilcake in a nearby unit on lease having an input capacity of 8000 MTPA. The firm is promoted and managed by Mr. Kanubhai Patel, who has over 15 years of experience in cotton ginning business, and other family members.

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 for the last three years:

Date	Name of the Facilities	Term	Size of the Issue (Rs. Cr)	Ratings/Outlook
May 24, 2017	Cash Credit	LT	6.00	ACUITE B/Stable (Assigned)
May 24, 2017	Term Loans	ST	1.56	ACUITE B/Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Ratings/Outlook
Cash Credit	N.A	N.A	N.A	6.00	* ACUITE B (Indicative)
Term Loans	N.A	N.A	N.A	1.56	* ACUITE B (Indicative)

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile ACUITÉ Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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