

Press Release

Mahalaxmi Cotton

April 20, 2020

Rating Update



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

Refer Annexure for details

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

Acuite has reviewed the long-term rating to '**ACUITE B**' (read as **ACUITE B**) on the Rs. 7.56 crore bank facilities of Mahalaxmi Cotton (MC). This rating is now an indicative rating and is based on best available information.

Mahalaxmi Cotton was established in the year 2013 as a partnership firm located in Kadi, Gujarat. The firm is engaged in ginning and pressing of Cotton bales. It has a production capacity of 25000 bales p.a. The firm also carries out cottonseed crushing to produce cotton seed 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

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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuite endeavoured 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.

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

ICRA vide its press release dated 28 February, 2019 has mentioned the rating of Mahalaxmi Cotton as ICRA B/Stable' Issuer not cooperating as on 28-Feb-2019.

Any other information

Acuite 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
07-Feb-2019	Cash Credit	Long Term	6.00	ACUITE B/Stable (Reaffirmed)
	Term Loans	Long Term	0.06	ACUITE B/Stable (Reaffirmed)

	Proposed Bank Facility	Long Term	1.50	ACUITE B/Stable (Assigned)
29-Jun-2018	Cash Credit	Long Term	6.00	ACUITE B (Indicative)
	Term Loans	Long Term	1.56	ACUITE B (Indicative)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE B Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	0.06	ACUITE B Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Parth Pandit Rating Analyst – Rating Operations Tel: 022-49294032 parth.pandit@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite Ratings & Research Limited (erstwhile SMERA 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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