

## Press Release

### Mahalaxmi Cotton

April 20, 2020



### Rating Update

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

# Refer Annexure for details

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

Acuité 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

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/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). 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 - 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

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
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 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Parth Pandit Rating Analyst – Rating Operations Tel: 022-49294032 <a href="mailto:parth.pandit@acuite.in">parth.pandit@acuite.in</a>	

#### About Acuité Ratings & Research:

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