

Press Release

Sri Mahalaxmi Cotspin Industries

January 24, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 7.50 Cr #
Long Term Rating	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 of '**ACUITE B+** (read as **ACUITE B plus**) on the Rs. 7.50 crore bank facilities of Sri Mahalaxmi Cotspin Industries. This rating is now an indicative rating and is based on best available information.

Sri Mahalaxmi Cotspin Industries (SMCI) is a Telangana-based partnership firm engaged in cotton ginning and pressing. Established in March, 2016, the firm is led by Mr. Katkuri Nagabhusanam, Mr. Lahoti Nand Kishore, Mr. Gopishetty Venugopal and Mr. Thatikonda Kaushik who have extensive experience in the textile industry. The operations commenced from November, 2016. The firm has 26 ginning machines with installed capacity of 250 bales per day.

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 continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-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 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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
12 Nov, 2018	Proposed Cash Credit	Long Term	4.50	ACUITE BB- Issuer not co-operating*
	Proposed Long Term Loan	Long Term	2.70	ACUITE BB- Issuer not co-operating*

	Proposed Long Term Loan	Long Term	0.30	ACUITE A4 Issuer not co-operating*
23 Sept, 2017	Proposed Cash Credit	Long Term	4.50	ACUITE B+/Stable (Assigned)
	Proposed Long Term Loan	Long Term	2.70	ACUITE B+/Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.30	ACUITE 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/Outlook
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE B+ Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE B+ Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.30	ACUITE B+ Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité 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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