

Press Release

Manjeet Cotton Private Limited

September 23, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	477.20	ACUITE BBB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	72.00	-	ACUITE A2+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	549.20	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BBB+**' (read as **ACUITE triple B plus**) from '**ACUITE A**' (read as **ACUITE A**) and short term rating to '**ACUITE A2+**' (read as **ACUITE A two plus**) from '**ACUITE A1**' (read as **ACUITE A one**) on the Rs. 549.20 Cr bank facilities of Manjeet Cotton Private Limited (MCPL). This rating is downgraded on account information risk and is now flagged as 'Issuer not Cooperating'. The rating is based on the best available information.

About the Company

Maharashtra based Manjeet Cotton Private Limited (MCPL) was incorporated in 2005 as a private limited company to consolidate the existing businesses of other group companies which were operational since 1982. MCPL is engaged into cotton ginning, trading, export and extraction of cotton oil seeds. It is promoted by Mr. Bhupendra Rajpal, Mr. Rajendra Rajpal and Mr. Sanchit Rajpal. MCPL has manufacturing units at 18 cities located in the states of Madhya Pradesh, Maharashtra, Karnataka, Telangana, Odisha and Rajasthan. The company has annual ginning capacity of 65 lac quintals.

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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies

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 endeavored 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.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Key Financials:

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

Status of non-cooperation with previous CRA

Not Available

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Jul 2021	Proposed Bank Facility	Long Term	7.96	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Post Shipment Credit	Long Term	55.00	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Term Loan	Long Term	0.84	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Standby Line of Credit	Short Term	13.20	ACUITE A1 (Reaffirmed)
	Term Loan	Long Term	14.78	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Cash Credit	Long Term	91.20	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Cash Credit	Long Term	170.30	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Cash Credit	Long Term	50.00	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Cash Credit	Long Term	83.50	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Term Loan	Long Term	3.62	ACUITE A Stable (Upgraded from ACUITE A- Stable)

	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Reaffirmed)
	Bank Guarantee	Short Term	25.00	ACUITE A1 (Assigned)
	Bank Guarantee	Short Term	25.00	ACUITE A1 (Assigned)
13 Jul 2020	Term Loan	Long Term	18.19	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	1.75	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	170.30	ACUITE A- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	22.44	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	13.20	ACUITE A1 (Reaffirmed)
	Cash Credit	Long Term	55.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	83.50	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.62	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	50.00	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Reaffirmed)
	Cash Credit	Long Term	91.20	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.76	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.38	ACUITE A- Stable (Reaffirmed)
		Short		
04 Jun 2020	Standby Line of Credit	Term	13.20	ACUITE A1 (Reaffirmed)
	Cash Credit	Long Term	83.50	ACUITE A- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	48.76	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	190.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	55.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	20.40	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Reaffirmed)
	Cash Credit	Long Term	91.20	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.76	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	83.50	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	190.00	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	4.40	ACUITE A1 (Withdrawn)

07 Mar 2019	Proposed Bank Facility	Long Term	38.76	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	23.78	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Reaffirmed)
	Term Loan	Long Term	4.71	ACUITE A- Stable (Withdrawn)
	Cash Credit	Long Term	91.20	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	65.00	ACUITE A- Stable (Reaffirmed)
	Standby Line of Credit	Short Term	13.20	ACUITE A1 (Reaffirmed)
09 Jan 2018	Cash Credit	Long Term	111.50	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	94.50	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	60.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	44.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	40.00	ACUITE A- Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	26.21	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	5.08	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	0.45	ACUITE A- Stable (Assigned)
	Term Loan	Long Term	4.26	ACUITE A- Stable (Assigned)
	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Assigned)
	Standby Line of Credit	Short Term	8.80	ACUITE A1 (Assigned)
	Standby Line of Credit	Short Term	4.40	ACUITE A1 (Assigned)
29 Dec 2017	Cash Credit	Long Term	100.00	ACUITE A- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A2+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A2+ Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	91.20	ACUITE BBB+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	170.30	ACUITE BBB+ Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	83.50	ACUITE BBB+ Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BBB+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	55.00	ACUITE BBB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	7.96	ACUITE BBB+ Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	8.80	ACUITE A2+ Downgraded Issuer not co-

							operating*
Bank of Baroda	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	13.20	ACUITE A2+ Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	3.62	ACUITE BBB+ Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Term Loan	01-09-2017	8.50	01-09-2027	14.78	ACUITE BBB+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	01-01-2016	10.65	01-06-2021	0.84	ACUITE BBB+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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