

Press Release

Sri Bhagyalaxmi Cotton Industries

Aug 11, 2020

Rating Update



Total Bank Facilities Rated*	Rs.12.00 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.

Acuite has reviewed the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.12.00 crore bank facilities of Sri Bhagyalaxmi Cotton Industries (SBCI). This rating is now an indicative rating and is based on the best available information.

SBCI is a Warangal based partnership firm established in 2016 by Mr. Revuri Somaiah and his family. It is engaged in ginning and pressing of raw cotton. The manufacturing facility located in Warangal district, Telangana with an installed capacity of 1200 quintals per day.

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.

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

Applicable Criteria

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

CRISIL, vide its press release dated January 17, 2020 had denoted the rating of Sri Bhagyalaxmi Cotton Industries (SBCI) as 'CRISIL B (Issuer Not Cooperating)' on account of lack of adequate information required for monitoring of ratings.

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
21-May-2019	Cash Credit	Long Term	7.00	ACUITE B+/Stable (Upgraded from ACUITE B)
	Term Loan	Long Term	5.00	ACUITE B+/Stable (Upgraded from ACUITE B)
13-Mar-2018	Cash Credit	Long Term	7.00	ACUITE B/ Stable (Assigned)
	Term Loan	Long Term	5.00	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. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	5.00	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:

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