

Press Release

Sri Bhagyalaxmi Cotton Industries

November 08, 2021



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.

Acuité has reviewed the long-term rating of '**ACUITE B+** (read as **ACUITE B plus**) on the Rs.12.00 crore bank facilities of Sri Bhagyalaxmi Cotton Industries (SBCI). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The Telangana based, 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: 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 the 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/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.

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

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

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 |
|--------------|---------------------------------|-----------|-----------------|---------------------------------------|
| 11-Aug -2020 | Cash Credit | Long Term | 7.00 | ACUITE B+ Issuer not co-operating* |

| | | | | |
|-------------|-------------|-----------|------|--|
| | Term Loan | Long Term | 5.00 | ACUITE B+ Issuer not co-operating* |
| 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**

| Lender Name | Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|-------------|------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Andhra Bank | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 7.00 | ACUITE B+ Issuer not co-operating* |
| Andhra Bank | Term Loan | Not Available | Not Available | Not Available | 5.00 | ACUITE B+ Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|---|--|
| <p>Aditya Gupta Vice President - Corporate Ratings, Rating Operations – Rating Analysis Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Aditya Sahu Analyst - Corporate Ratings Tel: +91 22 49294000 aditya.sahu@acuite.in</p> | <p>Varsha Bist Senior Manager – Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p> |

About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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