

Laxmi Balaji Cotton Industries

May 23, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.99	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 02, 2024, placed the rating(s) of Laxmi Balaji Cotton Industries (LBCI) under the 'issuer non-cooperating' category as LBCI had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. LBCI continues to be non-cooperative despite repeated requests for submission of information through e-mails dated March 18, 2025, March 28, 2025, April 07, 2025 among others.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [May 02, 2024](#)

Applicable criteria

[Policy in respect of Non-cooperation by Issuer](#)

[Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' and credit watch](#)

About the firm

Sendhwa (Madhya Pradesh) based Laxmi Balaji Cotton Industries (LBCI) was formed in June 2015 as a partnership firm by Mr Ankit Tayal and Mr Sajal Agrawal. In June 2017, Mr Sajal Agrawal has retired from the firm and Mr. Rachit Tayal has joined firm as partner. Mr Ankit Tayal and Mr Rachit Tayal share profit or loss in ratio of 60% and 40% respectively. The company belongs to Mahesh Group, Sendhwa, which is engaged in the business of cotton ginning and trading since more than two decades. The firm is engaged in the business of cotton ginning and pressing along with the production of cotton seed and cake. The manufacturing unit of the firm has installed capacity to manufacture cotton bales of 300 Bales per Day (BPD) as on November 20, 2019. LBCI has its plant located at Shahapur, Karnataka and procures raw cotton directly from farmers and local mandis and sells its finished products cotton bales mainly in Tamil Nadu and cotton Seed in Maharashtra.

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of LBCI to 'Issuer Not Cooperating' category vide press release dated April 28, 2025 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

Rating History for last three years: Annexure-2

Covenants of the rated instruments/facilities: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.60	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May 2021	1.39	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	1.39	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (02-May-24)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (11-Apr-23)	-
2	Fund-based - LT-Cash Credit	LT	6.60	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (02-May-24)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (11-Apr-23)	-

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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