

## Manjubhargava Cot Fibres Private Limited

October 31, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	12.75	<b>CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)</b>	<b>Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable; (Single B Minus; Outlook: Stable)</b>
<b>Total Facilities</b>	<b>12.75 (Rs. Twelve Crore and Seventy-Five Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 16, 2021, placed the rating(s) of Manjubhargava Cot Fibres Private Limited (MCFPL) under the 'issuer non-cooperating' category as MCFPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MCFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 02, 2022, October 12, 2022, October 22, 2022 and October 31, 2022.

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).**

The ratings assigned to the bank facilities of MCFPL have been revised on account of delays in debt servicing recognized from lender's feedback.

### Detailed description of the key rating drivers

Please refer to PR dated [November 16, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Guntur based, ManjuBhargava Cot Fibres Private Limited (MCFPL) was incorporated in 2016 as a Private Limited Company by Mr. C.V. Bhargava Reddy and his relatives but the commercial operations were started from July 2017. The company is engaged in cotton ginning and pressing activity with a total installed capacity of 200 bales per day. The manufacturing unit of the company is located at Guntur, Andhra Pradesh state. The company purchases raw cotton from local farmers located in and around Andhra Pradesh and Telangana. The company sells its final products such as cotton lint, cotton seed and cotton yarn to the customers located in Andhra Pradesh, Maharashtra and Tamil Nadu.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	16.00	NA	NA	NA
PBILDT	1.15	NA	NA	NA
PAT	0.02	NA	NA	NA
Overall gearing (times)	5.49	NA	NA	NA
Interest coverage (times)	1.34	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications

\*Issuer did not cooperate; Based on best available information

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.29	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	October 2024	2.46	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	2.46	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (16-Nov-21)	1)CARE B; Stable; ISSUER NOT COOPERATING * (28-Oct-20)	1)CARE B+; Stable (05-Aug-19)
2	Fund-based - LT-Cash Credit	LT	10.29	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (16-Nov-21)	1)CARE B; Stable; ISSUER NOT COOPERATING * (28-Oct-20)	1)CARE B+; Stable (05-Aug-19)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this company**

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

**Annexure-5: Bank Lender Details for this Company**

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

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

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### About CARE Ratings Limited:

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