

September 28, 2023

## Krishna Cottex Industries: Continues to remain under issuer non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	4.50	4.50	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Term Loan	0.87	0.87	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Unallocated	0.68	0.68	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
<b>Total</b>	<b>6.05</b>	<b>6.05</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has kept the Long-term ratings of Krishna Cottex Industries in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B(Stable); ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance, Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at [www.icra.in](http://www.icra.in).

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology –Textiles (Apparels)</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

## About the company

Established in March, 2014, Krishna Cottex Industries (KCI) has set up a cotton ginning and pressing facility at Rajkot in Gujarat. The plant is equipped with 24 ginning machines and 1 pressing machine with processing capacity of 8160 MT of raw cotton annually (considering 200 bales a day with 24 hours of operations with 240 working days in a year). KCI is a partnership firm with the promoters having an extensive experience in the cotton industry. The firm commenced commercial operations from October – 2014.

**Status of non-cooperation with previous CRA: NA**

**Any other information: None**

## Rating history for past three years

Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in	
				28-September-2023	20-July-2022	27-May-2021	18-February-2020	
1 Cash Credit	Long Term	4.50	-	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	
2 Term Loan	Long Term	0.87	-	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	
3 Unallocated	Long Term	0.68	-	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

**Annexure-1: Instrument details**

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-Cash Credit	-	-	-	4.50	[ICRA]B(Stable); ISSUER NOT COOPERATING
NA	Fund Based-Term Loan	-	-	-	0.87	[ICRA]B(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.68	[ICRA]B(Stable); ISSUER NOT COOPERATING

**Source: Krishna Cottex Industries**

**Annexure-2: List of entities considered for consolidated analysis: Not Applicable**

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