

November 10, 2023

Kranti Cotton and Oil Industries: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	6.25	6.25	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	0.77	0.77	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	7.02	7.02	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term rating of Kranti Cotton and Oil Industries in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable); ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Kranti Cotton and Oil Industries, 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. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology-Textiles (Spinning)
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Morbi-based Kranti Cotton and Oil Industries (KCOI) was established in August 2013, by Mr. Shaileshbhai Kavar and four other partners. KCOI is involved in ginning and pressing of raw cotton and crushing of cotton seeds. It started commercial production from March 2014. At present, the plant has 17010 MTPA for ginning and 10159 MTPA of crushing operation capacity. The partners of the firm are associated with other concerns namely Patel Oil Industries and Kranti Oil Industries, which are engaged in similar line of business.

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 FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					Nov 10, 2023	Sep 27, 2022	Aug 26, 2021	Jun 25, 2020	May 18, 2020
1	Cash Credit	Long Term	6.25	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB- (Stable) ISSUER NOT COOPERATING
2	Unallocated	Long Term	0.77	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB- (Stable) ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	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	Cash Credit	-	-	-	6.25	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.77	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Kranti Cotton and Oil Industries

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

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About ICRA Limited:

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