

March 26, 2024

## Krishna Cotton (Tankara): 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	5.00	5.00	[ICRA]D; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term-Fund Based-Term Loan	0.20	0.20	[ICRA]D; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term-Unallocated	0.80	0.80	[ICRA]D; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
<b>Total</b>	<b>6.00</b>	<b>6.00</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 of Krishna Cotton (Tankara) in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]D; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Krishna Cotton (Tankara), 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 Indicator: [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="#">Policy on default recognition</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Established in 2011 as a partnership firm, Krishna Cotton ('KC' or the 'firm') is in the business of ginning and pressing of raw cotton. The firm commenced commercial production in October 2012 from its manufacturing facility at Rajkot in Gujarat. The

unit is equipped with 24 ginning machines, one pressing machine and four expellers and has a processing capacity of ~19000 metric tonnes per annum (MTPA) of raw cotton. The promoters of KC have a decade long experience in the cotton ginning business by virtue of their association with other related companies.

### 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 FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
					Mar 26, 2024	Feb 27, 2023	Dec 22, 2021	Oct 19, 2020
1	Cash Credit	Long Term	5.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Term loan	Long Term	0.20	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3	Unallocated	Long Term	0.80	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; 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	Cash Credit	-	-	-	5.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term loan	-	-	-	0.20	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.80	[ICRA]D; ISSUER NOT COOPERATING

Source: Krishna Cotton (Tankara)

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

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