

February 24, 2020

## Krishna Natural Fibre Private Limited: Rating continues to remain issuer not cooperating category

### Summary of rating action:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash Credit	8.90	8.90	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Term Loan	1.05	1.05	[ICRA]B(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>9.95</b>	<b>9.95</b>	

\*Issuer did not co-operate; based on best available information.

### Rationale

ICRA has continued the ratings for the Rs. 9.95 crore bank facilities of Krishna Natural Fibre Private Limited. The rating is now denoted as “[ICRA]B(Stable) ISSUER NOT COOPERATING; Rating continues to remain under ‘Issuer Not Cooperating’ category”

ICRA has been trying to seek information from the entity so as to monitor its performance, 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

### Analytical approach

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

### About the company:

Incorporated in October 1999, Krishna Natural Fibre Private Limited (KNFPL) is engaged in the business of cotton ginning and pressing. KNFPL’s manufacturing facility is located at Borisana, Kadi in Gujarat and is currently equipped with 24 ginning machines and 1 pressing machine. The promoters of KNFPL have long experience in cotton cultivation and ginning business and are also involved in the operations of a few other cotton ginning companies, either as directors or partners.

The previous detailed rating rationale is available on the following link: [Click here](#)

### Key financial indicators:

	FY2018	FY2019
Operating Income (Rs. crore)	111.21	164.60
PAT (Rs. crore)	0.30	0.10
OPBDIT/ OI (%)	1.31%	16.17%
PAT/OI	1.69%	1.48%
NCA/Total Debt	5%	5%
Total Debt/OPBDITA (times)	10.81	7.20
NWC/OI	12%	10%
DSCR	2.16	1.51

Source: MCA

### Rating history for past three years

S.No	Name of Instrument	Type	Current Rating (FY2020)			Chronology of Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in		
						FY2019	FY2018	FY2017
			(Rs. crore)	Feb-24-2020	20-Nov-2018	25-Sep -2017	-	
1	Cash Credit	Long-Term	8.90	-	[ICRA]B(Stable) ISSUER NOT COOPERATING	[ICRA]B(Stable) ISSUER NOT COOPERATING	[ICRA]B(Stable) ISSUER NOT COOPERATING	-
2	Term Loan	Long-Term	1.05	-	[ICRA]B(Stable) ISSUER NOT COOPERATING	[ICRA]B(Stable) ISSUER NOT COOPERATING	[ICRA]B(Stable) ISSUER NOT COOPERATING	-

All figures in Rs. Crore

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