

Press Release

Kakatiya Cotton Industries

April 08, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 8.30 Crore#
Long Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Acuite has reviewed the long term rating of '**ACUITE D' (read as ACUITE D)** on the Rs. 8.30 crore bank facilities of Kakatiya Cotton Industries (KCI). This rating is now an indicative rating and is based on best available information.

KCI, established in May 2016, is a Warangal based partnership concern promoted by Mr. Kiran Kr. Thota, Mr. Sravan Kr. Thota, Mrs. Latha Thota and Mrs. Swetha Thota. However, the operation of the firm was commenced from March, 2017. The firm is engaged in the ginning and pressing of cotton bales with an installed capacity of 1.62 lakhs quintal of cotton per annum. The production plant is located at a strategic location which enables them to easily acquire the raw materials.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity – Key Financial Indicators:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information:

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
14-Jan-2020	Cash Credit	Long Term	4.00	ACUITE D Issuer not co-operating*
	Term Loan	Long Term	4.30	ACUITE D Issuer not co-operating*
15-Oct-2018	Cash Credit	Long Term	4.00	ACUITE D* (Downgraded from ACUITE B+/Stable)
	Term Loan	Long Term	4.30	ACUITE D* (Downgraded from ACUITE B+/Stable)
17-Aug-2017	Cash Credit	Long Term	4.00	ACUITE B+/Stable (Assigned)
	Term Loan	Long Term	4.30	ACUITE B+/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE D Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	4.30	ACUITE D Issuer not co-operating*

Contacts

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About Acuité Ratings & Research:

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