

## Kross Limited (erstwhile Kross Manufacturers (India) Private Limited)

June 03, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	40.34	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	10.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>50.34</b> <b>(Rs. Fifty Crore and Thirty-Four Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 10, 2021, placed the rating(s) of Kross Limited(KL) under the 'issuer non-cooperating' category as KL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 24, 2022, February 03, 2022, February 13, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [March 10, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Kross Manufacturers (I) Pvt. Ltd. (KMIPL), incorporated in May 1991, was promoted by Mr. Sudhir Rai and his wife Mrs. Anita Rai. The company commenced operations in 1993 and is engaged in manufacturing of automobile parts (axle shafts, coupling flanges, tractor parts, etc.) for commercial vehicles as well as tractors. It has three manufacturing plants including a forging unit in Jamshedpur. The company has changed its name from Kross Manufacturers (I) Pvt. Ltd. to Kross Limited Since January 17, 2017.

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	160.68	185.46	NA
PBILD	16.52	19.92	NA
PAT	1.95	5.73	NA
Overall gearing (times)	1.12	1.22	NA
Interest coverage (times)	1.71	2.24	NA

A: Audited; Prov.: Provisional; NA: Not Available

**Status of non-cooperation with previous CRA:** India Ratings has downgraded the rating assigned to the bank facilities of KL rating into Issuer Not Cooperating category vide press release dated August 09, 2021 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not applicable

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure -3

**Complexity level of various instruments rated for this company:** Annexure- 4

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	Mar. 2019	5.69	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	34.65	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	9.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Standby Line of Credit		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	5.69	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Mar-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (14-Feb-20) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (10-Sep-19)
2	Fund-based - LT-Cash Credit	LT	34.65	CARE BB; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Mar-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (14-Feb-20) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (10-Sep-19)
3	Non-fund-based - ST-BG/LC	ST	9.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Mar-21)	1)CARE A4+; ISSUER NOT COOPERATING* (14-Feb-20) 2)CARE A3; ISSUER NOT COOPERATING* (10-Sep-19)
4	Fund-based - ST-Standby Line of Credit	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Mar-21)	1)CARE A4+; ISSUER NOT COOPERATING* (14-Feb-20)

							(10-Mar-21)	2)CARE A3; ISSUER NOT COOPERATING* (10-Sep-19)
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*\*Issuer did not cooperate; Based on best available information*

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Standby Line of Credit	Simple
4	Non-fund-based - ST-BG/LC	Simple

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**