

## Kross Limited

July 11, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	40.34	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	10.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

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

### Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 03, 2022, 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 April 19, 2023, April 29, 2023, May 09, 2023.

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).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

Please refer to PR dated [June 03, 2022](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Rating 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)	March 31, 2021 (A)	March 31, 2022 (A)
Total operating income	185.46	298.50
PBILDT	19.92	30.34
PAT	5.73	13.04
Overall gearing (times)	1.22	1.14
Interest coverage (times)	2.24	3.74

A – Audited, Note: the above results are latest financial results available

**Status of non-cooperation with previous CRA:** India Ratings has continued the rating assigned to the bank facilities of KL into ISSUER NOT COOPERATING category vide press release dated July 28, 2022 on account of its inability to carry out a review in the absence of requisite information from the company.

**Any other information:** Not applicable

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

<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

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

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

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	34.65	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	Mar. 2019	5.69	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - ST- Standby Line of Credit	-	-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	-	9.00	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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	5.69	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Jun-22)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Mar-21)
2	Fund-based - LT-Cash Credit	LT	34.65	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-Jun-22)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (10-Mar-21)
3	Non-fund-based - ST-BG/LC	ST	9.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (03-Jun-22)	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Mar-21)
4	Fund-based - ST- Standby Line of Credit	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (03-Jun-22)	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Mar-21)

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

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the 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: Lender details**

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

**Note on the complexity levels of the rated instruments:** CARE Ratings 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.

**Contact us**

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**About us:**

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