

September 23, 2021

## Kera Vitrified LLP: Rating Withdrawn

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based - Term Loan	23.10	23.10	[ICRA]BB-(Stable); Withdrawn
Fund-based - Cash Credit	10.00	10.00	[ICRA]BB-(Stable); Withdrawn
Non-fund based - Bank Guarantee	3.25	3.25	[ICRA]A4; Withdrawn
Unallocated Limits	10.22	10.22	[ICRA]BB-(Stable)/A4; Withdrawn
<b>Total</b>	<b>46.57</b>	<b>46.57</b>	

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Kera Vitrified LLP** at the request of the company and based on the No Objection Certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA Policy on Withdrawal and Suspension of Credit Ratings</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group Support	NA
Consolidation/Standalone	NA

### About the company

Established in April 2016, Kera Vitrified LLP commenced operations in July 2017 and manufactures double-charge vitrified tiles of 600x600 mm and 800x800 mm dimensions. Its manufacturing unit is located in Morbi (Rajkot, Gujarat) and has an installed capacity of ~31 lakh boxes per annum. In FY2020, the firm reported a net profit of Rs. 1.7 crore on an OI of Rs. 67.6 crore compared to a net profit of Rs. 0.9 crore on an OI of Rs. 64.1 crore in FY2019.

### Key Financial Indicator (Audited)

	FY2019	FY 2020
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Operating Income (Rs. crore)	64.1	67.6
PAT (Rs. crore)	0.9	1.7
OPBDIT/OI (%)	17.8%	15.6%
RoCE (%)	1.4%	2.5%
Total Outside Liabilities/Tangible Net Worth (times)	3.2	2.4
Total Debt/OPBDIT (times)	3.6	3.3
Interest Coverage (times)	2.6	2.8

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

**Status of non-cooperation with previous CRA: Not Applicable**

**Any other information: None**

**Rating history for past three years**

	Instrument	Current Rating (FY2022)					Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding on Dec 31, 2020 (Rs. Crore)	Date & Rating in		Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					Sept 23, 2021	Apr 7, 2021			
							-		
1	Term Loan	Long-Term	23.10	16.64	[ICRA]BB- (Stable); Withdrawn	[ICRA]BB- (Stable)	-	[ICRA]BB- (Stable)	[ICRA]B+ (Stable)
2	Cash Credit	Long-Term	10.00	NA	[ICRA]BB- (Stable); Withdrawn	[ICRA]BB- (Stable)	-	[ICRA]BB- (Stable)	[ICRA]B+ (Stable)
3	Bank Guarantee	Short-term	3.25	NA	[ICRA]A4; Withdrawn	[ICRA]A4	-	[ICRA]A4	[ICRA]A4
4	Unallocated Limits	Long-Term / Short-Term	10.22	NA	[ICRA]BB- (Stable)/A4; Withdrawn	[ICRA]BB- (Stable)/A4	-	[ICRA]BB- (Stable)/A4	-

Amount in Rs. crore \*

**Complexity level of the rated instrument**

Instrument	Complexity Indicator
Term Loan	Simple
Cash Credit	Simple
Bank Guarantee	Very Simple
Unallocated Limits	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: [www.icra.in](http://www.icra.in)

### 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	Term Loan	FY2017	10.15%	FY2024	23.10	[ICRA]BB-(Stable); Withdrawn
NA	Cash Credit	NA	NA	NA	10.00	[ICRA]BB-(Stable); Withdrawn
NA	Bank Guarantee	NA	NA	NA	3.25	[ICRA]A4; Withdrawn
NA	Unallocated Limits	NA	NA	NA	10.22	[ICRA]BB-(Stable)/A4; Withdrawn

Source: Kera Vitrified LLP

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

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