

November 29, 2022

Zetwerk Manufacturing Businesses Pvt Ltd: Ratings Withdrawn for CP Programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Fund-based	300.0	300.00	[ICRA]BBB(Stable); outstanding
Short term – Non-fund based	1000.0	1000.00	[ICRA]A3+; outstanding
Short term – Non-fund based (sub-limit of long-term fund-based)	(100.0)	(100.00)	[ICRA]A3+; outstanding
Short term – Fund based	50.0	50.00	[ICRA]A3+; outstanding
Long term/ Short term – Unallocated	150.0	150.00	[ICRA]BBB(Stable)/[ICRA]A3+; outstanding
Commercial Papers	50.0	0.0	[ICRA]A3+; Withdrawn
Total	1,550.0	1,500.0	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the short-term rating of [ICRA]A3+ assigned to the Commercial Paper (CP) programme of Zetwerk Manufacturing Businesses Pvt Ltd. There is no incremental information to suggest that the credit risk profile of the company has changed since the last review. The rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension at the request of the company as there is no amount outstanding against the rated instrument.

The Key Rating Drivers, Liquidity Position, Rating Sensitivities and Key Financial Indicator have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Incorporated in 2017, Zetwerk is a Bengaluru-based start-up promoted by Mr. Amrit Acharya and Mr. Srinath Ramakrushnan. It started as a technology-driven company offering a manufacturing platform to its clients who are primarily original equipment manufacturers (OEMs) and other engineering companies, to procure and execute manufacturing jobs through a network of small and medium enterprises (SMEs) having those capacities. Since then, the company has diversified into contract manufacturing of apparels, consumer goods, engineering components etc. and has also ventured into turkey projects on a large scale. The company is promoted by Mr. Amrit Acharya and Mr. Srinath Ramakrushnan, who are engineering graduates from IIT, Madras. Mr. Amrit had worked in ITC Limited in its project division for around four years before completing his masters

in UC Berkeley, California. Prior to starting this company, he was working in McKinsey & Company in the US for almost a year as a management consultant. Mr. Srinath had worked in the supply chain department in ITC Limited for nearly five years and prior to starting this company, he was working in the supply chain department of Zinka Logistics Solutions Private Limited.

Zetwerk is backed by leading Private equity firms' funds such as Kae Capital Fund II India; Kalysta Capital Fund II (Mauritius); Sequoia Capital through SCI Investments V; Accel India (Mauritius) Limited; Lightspeed India Partners II, LLC; Greenoaks Capital Opportunities Fund II LP; D1 Capital Partners Master LP; Avenir Zetwerk Investors LLC; QED Innovation Labs LLP; IIFL Special Opportunities Fund – Series 8 and IIFL Monopolistic Market Intermediaries Fund

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2023)				Chronology of rating history for the past 3 years				
		Type	Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Date & rating in FY2023	Date & rating in FY2022			Date & rating in FY2021	Date & rating in FY2020
					November 29,2022	March 29,2022	Nov 2,2021	Sep 16,2021	Sep 22,2020	-
1	Fund Based Limits	Long-term	300.0	-	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB-(Stable)	
2	Non-Fund Based	Short term	1,000.0	-	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3	
3	Non-Fund Based	short term	(100.0)	-	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3	
4	Fund Based	short term	50.0	-	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3	
5	Unallocated	Long term/ short term	150.0	-	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB-(Stable) / [ICRA]A3	
6	Commercial Paper	Short Term	50.0	-	[ICRA]A3+; Withdrawn	[ICRA]A3+	[ICRA]A3+	-	-	

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term – Fund-based	Simple
Short term – Non-fund based	Very Simple
Short term – Non-fund based (sub-limit of long-term fund-based)	Very Simple
Short term – Fund based	Very Simple
Long term/ Short term – Unallocated	Not Applicable
Commercial Paper	Simple

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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN No	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based	NA	NA	NA	10.00	[ICRA]BBB(Stable)
NA	Fund Based	NA	NA	NA	15.00	
NA	Fund Based	NA	NA	NA	1.00	
NA	Fund Based	NA	NA	NA	1.41	
NA	Fund Based	NA	NA	NA	1.00	
NA	Fund Based	NA	NA	NA	20.05	
NA	Fund Based	NA	NA	NA	251.55	
NA	Non-Fund Based	NA	NA	NA	90.00	[ICRA]A3+
NA	Non-Fund Based	NA	NA	NA	50.00	
NA	Non-Fund Based	NA	NA	NA	111.00	
NA	Non-Fund Based	NA	NA	NA	75.00	
NA	Non-Fund Based	NA	NA	NA	30.00	
NA	Non-Fund Based	NA	NA	NA	50.00	
NA	Non-Fund Based	NA	NA	NA	45.00	
NA	Non-Fund Based	NA	NA	NA	20.00	
NA	Non-Fund Based	NA	NA	NA	45.00	
NA	Non-Fund Based	NA	NA	NA	484.00	
NA	Non-Fund Based	NA	NA	NA	(100.00)	
NA	Fund Based	NA	NA	NA	50.00	
NA	Unallocated	NA	NA	NA	150.00	[ICRA]BBB(Stable)/[ICRA]A3+
NA*	Commercial Paper	NA	NA	NA	50.0	[ICRA]A3+; Withdrawn

Source: Company, Not placed

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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About ICRA Limited:

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