

February 07, 2024

Keramika Indiana: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund based Cash Credit	2.50	2.50	[ICRA]B(Stable); withdrawn
Long Term – Fund based Term Loan	7.90	7.90	[ICRA]B(Stable); withdrawn
Short Term – Non-Fund based	0.65	0.65	[ICRA]A4; withdrawn
Unallocated Limits	0.95	0.95	[ICRA]B(Stable); withdrawn
Total	12.00	12.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Keramika Indiana at the request of the company and based on the No Objection Certificate received from the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 rating withdrawal. 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Rating Drivers, Liquidity Position, and Rating Sensitivities have not been captured as the rated instruments are being withdrawn.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	The ratings are based on the firm's standalone financial profile.

About the company

Established in 2019, Keramika Indiana (KI) is involved in manufacturing backsplash porcelain/ mosaic tiles at Morbi (Gujarat) with an installed capacity of 18,900 MTPA. KI has started its commercial operations in November 2020. The main promoters, Mr. Mayur Dadhaniya, Mr. Kuldip Padsumbiya, Mr. Ashok Adroja and Mr. Hemant Dadhaniya, have extensive experience of more than a decade in the ceramic industry through their association with other companies in the ceramic industry such as Starco Ceramic and Range Ceramic Pvt. Ltd.

Key financial indicators (audited):

Standalone	FY2022	FY2023	5m FY2024*
Operating Income (Rs. crore)	9.6	19.3	10.1
PAT (Rs. crore)	-0.2	0.4	0.2
OPBDIT/OI (%)	24.4%	16.3%	11.9%
PAT/OI (%)	-1.6%	1.9%	1.8%
Total Outside Liabilities/Tangible Net Worth (times)	2.7	3.4	3.2
Total Debt/OPBDITA (times)	5.2	4.3	8.5
Interest Coverage (times)	2.2	2.4	2.9

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes, and amortization; Amount in Rs crore; *Provisional financials

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

SN Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. crore)	Amount Outstanding Jan 31, 2024 (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				Feb 07, 2024	Nov 30, 2022	Sep 29, 2021	July 14, 2020
1 Fund-based Cash credit	Long-term	2.50	-	[ICRA]B(Stable); withdrawn	[ICRA]B (Stable)	[ICRA]B (Stable)	[ICRA]B+ (Stable)
2 Fund-based Term loan	Long-term	7.90	3.62	[ICRA]B(Stable); withdrawn	[ICRA]B (Stable)	[ICRA]B (Stable)	[ICRA]B+ (Stable)
3 Non-fund based BG	Short-term	0.65	-	[ICRA]A4; withdrawn	[ICRA]A4	[ICRA]A4	[ICRA]A4
4 Unallocated limits	Long-term	0.95	-	[ICRA]B(Stable); withdrawn	[ICRA]B (Stable)	[ICRA]B (Stable)	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based Term loan	Simple
Long-term – Cash credit	Simple
Short-term - Bank guarantee	Very Simple
Long-term -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 are available on ICRA's website: [Click Here](#).

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	July 27, 2020	~11.10%*	2027	7.9	[ICRA]B(Stable); withdrawn
NA	Cash credit	NA	NA	NA	2.5	[ICRA]B(Stable); withdrawn
NA	Bank guarantee	NA	NA	NA	0.65	[ICRA]A4; withdrawn
NA	Unallocated limits	NA	NA	NA	0.95	[ICRA]B(Stable); withdrawn

*As per latest sanction letter shared by company; Source: Company

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

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