

August 19, 2024

Hem Ceramics: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund Based – Cash Credit	3.50	3.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	1.22	1.22	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	1.85	1.85	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term / Short Term-Unallocated	0.43	0.43	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category
Total	7.00	7.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and Short-Term rating of Hem Ceramics in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Hem Ceramics, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicator: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Hem Ceramics (HC) was established in 1997 as a partnership firm by Mr. Navneet and Mr. Ishwar. The firm is involved in manufacturing of digitally printed glazed wall tiles. The manufacturing facility of the firm is located in Morbi, Gujarat and is equipped with installed capacity of 37500 metric tonnes per annum (MTPA). HC is owned and managed by Mr. Ishwar and Mr. Ketu along with six other partners

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2021
				Aug 19, 2024	Jun 09, 2023	Apr 28, 2022	Mar 22, 2021
1	Cash Credit	Long Term	3.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
2	Term Loan	Long Term	1.22	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
3	Non-Fund Based	Short Term	1.85	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING
4	Unallocated	Long Term/ Short Term	0.43	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non-Fund Based	Very Simple
Unallocated	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: [Click Here](#)

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	Cash Credit	-	-	-	3.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	1.22	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund Based	-	-	-	1.85	[ICRA]A4; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.43	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING

Source: Hem Ceramics

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

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About ICRA Limited:

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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