

April 29, 2020

## Jaxx Vitrified Private Limited: Rating Withdrawn

### Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based limits	60.17	60.17	[ICRA]BB+ (Stable); Withdrawn
Non-Fund-Based limits	10.10	10.10	[ICRA]A4+; Withdrawn
Short Term – Interchangeable@	(3.00)	(3.00)	[ICRA]A4+; Withdrawn
Unallocated limits	53.23	53.23	[ICRA]BB+ (Stable)/A4+; Withdrawn
<b>Total</b>	<b>123.50</b>	<b>123.50</b>	

@ sub-limit of fund-based limit.

### Rationale

The long-term and short-term ratings assigned to Jaxx Vitrified Private Limited (JVPL) have been withdrawn at the request of the company, based on the no-objection certificate provided by its banker. ICRA is withdrawing the rating and that it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. ICRA has withdrawn the Stable outlook on the long-term rating.

### Key rating drivers and their description

Key rating drivers have not been captured as the rating is being withdrawn.

### Liquidity position

Not captured as the rating is being withdrawn.

### Rating sensitivities

Not captured as the rating is being withdrawn.

### Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">ICRA Policy on Withdrawal and Suspension of Credit Rating</a>
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

### About the company:

The Gujarat-based Jaxx Vitrified Private Limited (JVPL) manufactures vitrified floor tiles and was initially promoted by Mr. Atul Padaliya, Mr. Jayesh Kavar, Mr. Sanjay Bora, Mr. Ramesh Padalia, Mr. Rajnikant Futariya, Mr. Hiren Padalia and family members. However, in January 2012, Kajaria Ceramics Limited (KCL) acquired 51% stake in the company from the various shareholders. KCL increased its stake to 61% in FY2015 and further to 82.37% in FY2018. JVPL manufactures

vitrified tiles of size 24" X 24", and double charge vitrified tiles of sizes 32" X 32" and 32" X 48", with an installed capacity of 10.5 MSM per annum.

In FY2018, the company reported a net loss of Rs. 18.5 crore on an operating income of Rs. 220.3 crore, compared to a net profit of Rs. 1.0 crore on an operating income of Rs. 267.0 crore in FY2017. Further, JVPL reported a net loss of Rs. 3.7 crore on an operating income of Rs. 60.0 crore during Q1 FY2019.

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

### Key financial indicators:

	FY2017	FY2018
Operating Income (Rs. crore)	267.0	220.3
PAT (Rs. crore)	0.94	-18.49
OPBDITA/ OI (%)	9.2%	1.6%
RoCE (%)	11.4%	-2.7%
Total Outside Liabilities/Tangible Net Worth (times)	6.25	17.07
Total Debt/OPBDITA (times)	5.62	38.80
Interest Coverage (times)	1.49	0.28
DSCR (excl. STD/prepayments)	0.84	0.14

Source: Company Data

### Any other information: None

### Rating history for last three years:

All figures in Rs. Crore

	Instrument	Current Rating (FY2021)			Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Current Rating 29-Apr-2020	FY2020	FY2019	FY2018
1	Cash Credit	Long Term	18.00	-	[ICRA]BB+ (Stable); Withdrawn	-	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)
2	Term Loan	Long Term	42.17	-	[ICRA]BB+ (Stable); Withdrawn	-	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)
3	Bank Guarantee	Short Term	10.10	-	[ICRA]A4+; Withdrawn	-	[ICRA]A4+	[ICRA]A3
4	Foreign Letter of Credit	Short Term	(3.00)*	-	[ICRA]A4+; Withdrawn	-	[ICRA]A4+	[ICRA]A3
5	Unallocated limits	Long Term/ Short Term	53.23	-	[ICRA]BB+ (Stable)/A4+; Withdrawn	-	[ICRA]BB+ (Stable)/A4+	[ICRA]BBB- (Negative)/ A3

\*sublimit of Cash Credit

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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	Cash Credit	NA	NA	NA	18.00	[ICRA]BB+ (Stable); Withdrawn
NA	Term Loan	NA	NA	NA	42.17	[ICRA]BB+ (Stable); Withdrawn
NA	Bank Guarantee	NA	NA	NA	10.10	[ICRA]A4+; Withdrawn
NA	Foreign Letter of Credit	NA	NA	NA	(3.00)*	[ICRA]A4+; Withdrawn
NA	Unallocated limits	NA	NA	NA	53.23	[ICRA]BB+ (Stable)/A4+; Withdrawn

*\*sublimit of cash-credit limits*

*Source: Jaxx Vitriified Private Limited (JVPL)*

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