

February 22, 2022

Vadehra Builders Private Limited: Rating Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund-based Cash Credit	28.00	28.00	[ICRA]BB+ (Stable); Withdrawn
Short Term – Non-fund Based	11.32	11.32	[ICRA]A4+; Withdrawn
Total	39.32	39.32	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Vadehra Builders Private Limited (VBPL) at the request of the company and based on the No Objection Certificate received from the banker. 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Key Rating Drivers, Liquidity Position, Rating Sensitivities have not been captured as the rated instruments are being withdrawn.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

VBPL, a closely held company, was incorporated in 1983. It is promoted by Mr. Arun Vadehra. The company's operations are diversified across two main categories, namely trading in work of art and interior works and fitouts along with furniture manufacturing. In 1987, the company opened its first art gallery—Vadehra Art Gallery (VAG)—to deal in works of art. The company sells artworks through auctions for which it has tie-ups with international players such as Christie's, Grosvenor, etc. It also sells through its own art galleries. In the interior works business, VBPL caters to prominent clients including HCL Technologies, PVR Ltd., MGF, Ireo, WAVE, etc.

Key financial indicators (audited)

	FY2019	FY2020
Operating Income (Rs. crore)	108.6	111.1
PAT (Rs. crore)	1.5	1.4
OPBDIT/OI (%)	4.1%	3.4%
PAT/OI (%)	1.4%	1.3%
Total Outside Liabilities/Tangible Net Worth (times)	1.4	1.6
Total Debt/OPBDIT (times)	6.1	7.1
Interest Coverage (times)	1.8	1.5

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	Rating (FY2022)				Chronology of Rating History			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	
					Feb 22, 2022	Dec 17, 2020	Dec 18, 2019	Dec 11, 2018	
1	Cash Credit	Long-term	28.00	-	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	
2	Bank Guarantee	Short-term	11.32	-	[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A4+	[ICRA]A4+	

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term – Fund Based/Cash Credit	Simple
Short Term – Non-fund Based	Very 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 analyzing 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

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	28.00	[ICRA]BB+ (Stable); Withdrawn
NA	Bank Guarantee	NA	NA	NA	11.32	[ICRA]A4+; Withdrawn

Source: Company

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

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