



## Doshi Ceramic Industries

Instrument	Amount (Rs. in crore)	Rating Action
Cash Credit	0.50	Revised to [ICRA]B from [ICRA]B+
Term Loan	4.88	Revised to [ICRA]B from [ICRA]B+
Bank Guarantee	0.20	[ICRA]A4; Reaffirmed

ICRA has revised downwards the long term rating assigned to the Rs. 4.88 crore\* term loans and Rs. 0.50 crore fund based cash credit facilities of Doshi Ceramic Industries (DCI)<sup>†</sup> from [ICRA]B+ (pronounced ICRA B plus) to [ICRA]B (pronounced ICRA B). ICRA has also reaffirmed the short term rating of [ICRA]A4 to the Rs. 0.20 crore short term non fund based facilities of DCI.

The rating revision reflects the delay in ramping up of operations given the intense completion from organized and unorganized players in sanitary ware, resulting in weak financial profile as reflected in low profitability, stretched capital structure and weak debt coverage indicators. The ratings also take into account the lack of experience of promoters in the line of business and limited track record of the firm's operations. Further, the ratings are constrained by the vulnerability of firm's profitability to availability and increasing prices of gas and power as well as competitive business environment given the fragmented nature of industry with large number of sanitary ware manufacturers in the region. Further, Doshi Ceramic Industries is a partnership firm and any substantial withdrawal from capital account would impact the net worth and thereby the capital structure of the firm.

The ratings, however, favourably consider the location advantage resulting in easy access to raw material sources.

### Firm Profile

Incorporated in April 2012, Doshi Ceramic Industries (DCI) is engaged in the manufacturing of sanitary ware products. The manufacturing unit of the firm is located in Thangadh (Morbi), Gujarat, having an installed capacity of 10,800 MTPA. The commercial production has commenced from January 2013. The firm is promoted and managed by Mr. Bipinchandra Doshi and Mr. Rajesh Doshi along with other family members and relatives.

### Recent Results

For the year ended 31st March, 2014, the firm reported an operating income of Rs. 4.07 crore with profit before depreciation and taxes (PBDT) of Rs. 0.13 crore.

**September 2014**

*For further details please contact:*

#### Analyst Contacts:

**Mr. Anjan Ghosh** (Tel. No. +91-22-6179 6392)  
aghosh@icraindia.com

#### Relationship Contacts:

**Mr. L. Shivakumar**, (Tel. No. +91-22-6179 6393)  
shivakumar@icraindia.com

\* 100 lakh = 1 crore = 10 million

<sup>†</sup> For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications.



© Copyright, 2014, ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. The ICRA ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit our website ([www.icra.in](http://www.icra.in)) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001  
Tel: +91-11-23357940-50, Fax: +91-11-23357014

**Corporate Office****Mr. Vivek Mathur**

Mobile: **9871221122**

Email: [vivek@icraindia.com](mailto:vivek@icraindia.com)

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002  
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

**Mumbai****Mr. L. Shivakumar**

Mobile: **9821086490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

1802, 18th Floor, Tower 3,  
Indiabulls Finance Centre,  
Senapati Bapat Marg,  
Elphinstone, Mumbai 400013,  
Board : +91-22-61796300; Fax: +91-22-24331390

**Kolkata****Mr. Jayanta Roy**

Mobile: **+91 9903394664**

Email: [jayanta@icraindia.com](mailto:jayanta@icraindia.com)

A-10 & 11, 3rd Floor, FMC Fortuna  
234/3A, A.J.C. Bose Road  
Kolkata—700020  
Tel +91-33-22876617/8839 22800008/22831411,  
Fax +91-33-22870728

**Chennai****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

5th Floor, Karumuttu Centre  
634 Anna Salai, Nandanam  
Chennai—600035  
Tel: +91-44-45964300; Fax: +91-44 24343663

**Bangalore****Bangalore****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

'The Millenia'  
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,  
Murphy Road, Bangalore 560 008  
Tel: +91-80-43326400; Fax: +91-80-43326409

**Ahmedabad****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

907 & 908 Sakar -II, Ellisbridge,  
Ahmedabad- 380006  
Tel: +91-79-26585049, 26585494, 26584924; Fax: +91-  
79-25569231

**Pune****Mr. L. Shivakumar**

Mobile: **989986490**

Email: [shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

5A, 5th Floor, Symphony, S.No. 99, CTS 3909, Range Hills  
Road, Shivajinagar, Pune-411 020  
Tel: + 91-20-25561194-25560196; Fax: +91-20-25561231

**Hyderabad****Mr. Jayanta Chatterjee**

Mobile: **9845022459**

Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)

4th Floor, Shobhan, 6-3-927/A&B, Somajiguda, Raj  
Bhavan Road, Hyderabad—500083  
Tel:- +91-40-40676500