

August 09, 2019

Gujarat Craft Industries Limited: Ratings Withdrawn

Summary of rating action:

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loan	10.13	10.13	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
Cash Credit	15.95	15.95	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
Foreign Bill Discounting*	(11.50)	(11.50)	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
Letter of Credit	11.00	11.00	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
Bank Guarantee	1.50	1.50	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
Buyer's Credit^	(6.50)	(6.50)	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
Credit Exposure Limit^	(1.50)	(1.50)	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
Total	38.58	38.58	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to Gujarat Craft Industries Limited have been withdrawn at the request of the company, based on the no-objection certificate provided by its banker.

Outlook: Not applicable

Key rating drivers

Not Applicable

Liquidity position

Not Applicable

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal and Suspension of Credit Rating Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company:

Gujarat Craft Industries Ltd (GCIL), promoted by Mr. Ashok Chhajer, manufactures woven sacks, fabrics, tarpaulins, vermi-beds, geo-membrane or liners, etc. GCIL's plant is located in the Santej (Kalol) industrial area of Gandhinagar in Gujarat with ISO 9001:2008 certification and serves both the domestic as well as the international markets for woven sacks and other related products. GCIL also manufactures vermi-beds using poly woven sheets.

Key financial indicators – (Audited)

	FY 2018	FY 2019
Operating Income (Rs. crore)	130.35	139.63
PAT (Rs. crore)	1.71	1.23
OPBDIT/ OI (%)	6.22%	5.47%
RoCE (%)	8.59%	7.87%
Total Debt/ TNW (times)	1.08	0.90
Total Debt/ OPBDIT (times)	4.55	4.14
Interest coverage (times)	1.82	1.83
NWC/ OI (%)	29%	25%

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

		Current Rating (FY2020)			Chronology of Rating History for the past 3 years			
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2020	Date & Rating in FY2018	Date & Rating in FY2017	
				Aug 2019	Jun 2019	Mar 2018	Sep 2016	
1	Term Loan	10.13	NA	[ICRA]BB (Stable) ISSUER NOT COOPERATING Withdrawn	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable)	
2	Cash Credit	15.95	NA	[ICRA]BB (Stable) ISSUER NOT COOPERATING Withdrawn	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable) ISSUER NOT COOPERATING	[ICRA]BB (Stable)	
3	Foreign Bill Discounting	(11.50)	NA	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+	
4	Letter of Credit	11.00	NA	[ICRA]A4+ ISSUER NOT COOPERATING Withdrawn	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+	
5	Bank Guarantee	1.50	NA	[ICRA]A4+ ISSUER NOT COOPERATING Withdrawn	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+	
6	Buyer's Credit	(6.50)	NA	[ICRA]A4+ ISSUER NOT COOPERATING Withdrawn	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+	

7	Credit Exposure Limit	Short Term	(1.50)	NA	[ICRA]A4+ ISSUER NOT COOPERATING Withdrawn	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]A4+
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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

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	Term Loan	NA	NA	NA	10.13	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Cash Credit	NA	NA	NA	15.95	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Foreign Bill Discounting	NA	NA	NA	(11.50)	[ICRA]BB (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Letter of Credit	NA	NA	NA	11.00	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
NA	Bank Guarantee	NA	NA	NA	1.50	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
NA	Buyer's Credit	NA	NA	NA	(6.50)	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn
NA	Credit Exposure Limit	NA	NA	NA	(1.50)	[ICRA]A4+ ISSUER NOT COOPERATING; Withdrawn

Source: Gujarat Craft Industries Limited

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