

March 29, 2023

Arkiton Tiles LLP: 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 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	5.55	5.55	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	1.40	1.40	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non-Fund Based-Others	1.35	1.35	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	11.80	11.80	

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

Rationale

ICRA has retained the long-term and short-term ratings of Arkiton Tiles LLP in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING".

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 but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

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 indicators: [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
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About the company

Established in September 2017, Morbi-based ATL is promoted by Mr. Akash Patel, Mr. Pintubhai Kavar, Mr. Hitesh Chatrola, Mr. Dhirajlal Barasara, Mr. Nakul Vadsola and their family members. ATL commenced operations from September 2018 and manufactures digital glazed wall tiles of the dimensions 12”x18” and 12”x24”. ATL has installed capacity to manufacture 60,00,000 boxes per annum (increased from 34,00,000 boxes per annum).

In FY2020, the firm reported a profit of Rs. 0.6 crore on an operating income of Rs. 38.0 crore, as compared to a net loss of Rs. 1.0 crore on an operating income of Rs. 11.4 crore in FY2019.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
				29-Mar-2023	17-Jan-2022	30-Oct-2020	08-Aug-2019	
1 Cash Credit	Long-Term	3.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB-(Stable)	[ICRA]B+(Stable)	
2 Term Loan	Long-Term	5.55	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB-(Stable)	[ICRA]B+(Stable)	
3 Unallocated	Long Term/Short-Term	1.40	-	[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB-(Stable)/[ICRA]A4	-	
4 Non-Fund Based	Short-Term	1.35	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	[ICRA]A4	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	NA
Non-Fund Based-Facilities	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 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	NA	NA	NA	3.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Term Loan	NA	NA	NA	5.55	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	NA	NA	NA	1.40	[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING
NA	Non-Fund Based	NA	NA	NA	1.35	[ICRA]A4; ISSUER NOT COOPERATING

Source: Arkiton Tiles LLP

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

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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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