

Kairali Granites

January 17, 2023

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.26	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated December 21, 2021, placed the rating(s) of Kairali Granites (KG) under the 'issuer non-cooperating' category as KG had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KG continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 06, 2022, November 16, 2022, November 26, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of KG have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR [December 21, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

About the firm

Kairali Granites (KG) is engaged in the trading of marbles, granites and allied products. The entity was originally established as a partnership firm in 1989 by Mr. V.R. Narayanan Embran and Mr. Raghavan, sharing profits and losses equally. Later in 1991, Mr. Narayanan took over the share of Mr. Raghavan and converted the business into a proprietorship concern. The firm primarily trades in marbles, granites, vitrified tiles and the allied products including artificial marble, artificial granite, nano glass etc. The firm sells the vitrified tiles in the brand name, KG2. KG has a showroom (owned), covering an area of about 96,840 sq. ft. in Kochi along with a warehousing yard. Apart from domestic purchases from Rajasthan, Karnataka, Andhra Pradesh and Tamil Nadu, the firm imports granites from China and Brazil. KG caters to retail clients (who contribute 50% of the net sales) as well as builders/ contractors (who contribute 50% of the net sales).

Brief Financials (₹ crore)	FY21 (A)	FY22 (A)	9MFY23(Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

A – Audited, NA – Not available, Prov. – Provisional

Status of non-cooperation with previous CRA: Not applicable

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this firm: Please refer Annexure-4

Lender details: Please refer Annexure-5

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	11.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	Dec. 2022	4.26	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	4.26	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (21-Dec-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (30-Nov-20)	1)CARE B+; Stable (25-Sep-19)
2	Fund-based - LT-Cash Credit	LT	11.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (21-Dec-21)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (30-Nov-20)	1)CARE B+; Stable (25-Sep-19)
3	Fund-based - ST-Standby Line of Credit	ST	-	-	-	-	-	1)Withdrawn (25-Sep-19)
4	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (25-Sep-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

Annexure 4: Complexity level of various instruments rated for this firm

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

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Disclaimer:

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