

KV Metacorp LLP

February 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	0.99 (Reduced from 2.00)	CARE BB+; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	62.36 (Enhanced from 47.36)	CARE BB+; Stable / CARE A4+	Reaffirmed
Short Term Bank Facilities	0.60	CARE A4+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to the bank facilities of KV Metacorp LLP (KVM) continue to remain constrained on account of moderate profitability, leveraged capital structure and weak debt coverage indicators. Ratings also remain constrained due to its presence in highly competitive and fragmented industry, susceptibility of profitability to fluctuation in metal prices and limited liability partnership nature of constitution.

Ratings, however, continue to derive strength from experienced partners, location with presence in Alang region and its focus on high value metal scrap items with diversified customer and supplier base. Ratings also consider improved albeit moderate scale of operations and adequate liquidity position during FY25 (Audited, FY refers to the period from April 1 to March 31).

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in scale of operations marked by total operating income (TOI) of Rs.350 crore or more with Total debt/ PBILDT below 3x

Negative factors

- Significant decline in scale of operations with TOI falling below Rs.200 crore and PBILDT margin below 4% on a sustained basis
- Any further deterioration in capital structure and debt coverage indicators

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) expects the entity would continue to benefit from the extensive experience of the partners in the industry along with location advantage with presence in Alang region.

Detailed description of key rating drivers:

Key weaknesses

Moderate profitability

Profitability moderated as marked by PBILDT margin of 4.63% in FY25 as compared to 5.67% in FY24, mainly due to lower share of higher-margin products such as special high-temperature alloys (23% of TOI in FY25 as compared to 36% in FY24) along with low sales realisation across the products. Consequently, PAT margin remained thin at 0.88% in FY25 as against 1.78% in FY24. In 9MFY26, PBILDT and PAT margin remained at 4.27% and 1.06% respectively. Profitability is expected to remain broadly consistent with historical levels.

Leveraged capital structure and weak debt coverage indicators

Capital structure deteriorated and remained leveraged as marked by overall gearing at 3.83x as on March 31, 2025, from 2.73x in FY24, on account of higher utilisation of working capital limits. Total debt increased to Rs.70.90 crore as on March 31, 2025, as against Rs.42.44 crore as on March 31, 2024, to support its growing scale of operations. Overall gearing stood at 4.32x as on December 31, 2025, with increase in working capital borrowings. Debt coverage indicators weakened with total debt to GCA (TDGCA) at 24.19x (PY: 10.51x). Further, PBILDT interest coverage moderated to 1.47x as on FY25 (PY:2.13).

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Presence in competitive and fragmented industry

Scrap processing industry is a fragmented and competitive industry with presence of large number of players operating in the same region due to low capital requirement. In such a scenario, small and medium firms are more vulnerable on account of its limited pricing flexibility.

Susceptibility of profitability to fluctuation in metal prices

The metal prices (i.e., non-ferrous alloys, nickel & steel) are highly volatile. The cost of goods constitutes major cost driver for the firm which accounts for ~90% of the total cost of sales during FY25. Accordingly, any volatility in the metal prices is likely to have an impact on the profitability of the firm. However, firm manages the volatility by having back-to-back arrangement for majority of procurement and builds up higher margin in high value alloys.

Limited liability partnership (LLP) nature of constitution

KVM's constitution as a LLP restricts its overall financial flexibility with limited access to external fund and in terms of its ability to absorb losses or financial exigencies. Furthermore, there is an inherent risk of possibility of withdrawal of capital. However, partners infused ~Rs.0.90 crore in FY25 for business purpose.

Key strengths**Improved albeit moderate scale of operations**

KVM is engaged in trading and processing of stainless steel, non-ferrous metals, and high-value alloys, which contribute 67%, 8%, and 23%, respectively out of its total revenue in FY25. Approximately 83% of its revenue is generated from the domestic market during FY25, with balance generated from exports. TOI improved to Rs.249.68 crore in FY25 as against Rs.197.65 crore in FY24, driven by higher volume sales of stainless-steel grade division. In 9MFY26, KVM reported TOI of Rs.297 crore.

Focus on high value metal scrap items with diversification of its customer and supplier base

Started in April 2020 by promoters of Shree Krishna Enterprises (SKE), KVM is engaged in trading of stainless steel and nonferrous metals and high value alloys scrap. It purchases material from Alang which is India's largest ship breaking yard as well as diversified its supplier base with imports from Middle East & UAE, USA, Taiwan, Japan, Korea, and China. The firm sells its product in the domestic market in within Gujarat and Coimbatore, Tamil Nadu. Its major customers are foundries and Stainless-steel manufacturers (AOD plant). It also exports to multiple countries, i.e., Europe, Japan, Korea, and Taiwan among others with exports forming ~17% of TOI in FY25. In last two years firm has added new customers as well as suppliers in various regions.

Location advantage with presence in Alang region

KVM has three warehouses located in Alang region. Two warehouses are approximately 5 kilometres away from Alang shipyard, Bhavnagar. KVM has added one warehouse facility on lease from partners of KVM for its non-ferrous and high value alloys segment (Land is of 5-acre with 82,000 square meters of constructed building). Alang is one of the world's largest ships breaking yard, recycling approximately one fourth of all ships salvaged around the world. Hence, KVM's presence in the shipbreaking hub has benefitted it in terms of easy availability of raw materials and labour.

Experienced partners

KVM is promoted by Vinodrai Amarshibhai Monpara and Kishorkumar Amarshibhai Monpara having extensive experience of over a decade in the trading industry through SKE which was established 15 years ago and is engaged in trading and processing of stainless-steel grade materials. Mr. Pratik Dave joined KVM as CFO in 2021, prior to which he was with Neptunus Power Plant Services, handling exports division. Effective from April 01, 2022, Mr. Pratik Dave became partner in the firm and looks after overall operations of the firm.

Liquidity: Adequate

KVM's liquidity is marked adequate with GCA of approximately Rs.3 crore during FY25 against minimal debt repayment of ~Rs.0.47 crore in FY26. Current ratio stood at 1.17x as on March 31, 2025. Average working capital utilization for fund-based limits for the past 12-months period ended November 30, 2025, remained at 80%. However, KVM reported negative cash flow from operations during FY25 at Rs.19.67 crore as against positive Rs.4.02 crore in FY24 largely on account of increase in inventory to support increase in scale of operations. Free cash and bank balance remained low at Rs.0.09 crore as on March 31, 2025.

Applicable criteria

- [Definition of Default](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios – Non financial Sector](#)
- [Short Term Instruments](#)
- [Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals & Mining	Metals & Minerals Trading	Trading - Metals

KV Metacorp LLP was established as a partnership firm on April 01, 2020, by Mr. Vinodrai Amarshibhai Monpara and Mr. Kishorkumar Amarshibhai Monpara and family members. Later, it was converted into Limited Liability Partnership on April 09, 2021. Also, Mr. Pratik Dave has joined as partner on April 1, 2022. It is engaged in recycling of stainless steel, non-ferrous, and high-value metal alloy scrap, including high nickel, cobalt, titanium, and titanium alloys collected from various industries and supply to furnaces and foundries. Previously, the partners operated through Shree Krishna Enterprises (SKE) for 14 years, with its business now transferred to KVM. SKE currently handles processing for KVM on a job-work basis.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	197.65	249.68	296.80
PBILDT*	11.21	11.55	12.66
Profit after tax (PAT)	3.51	2.19	3.15
Overall gearing (x)	2.73	3.83	4.32
Interest coverage (x)	2.13	1.47	1.79

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	30-09-2029	0.99	CARE BB+; Stable
Fund-based - LT/ ST-Cash Credit		-	-	-	62.36	CARE BB+; Stable / CARE A4+
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.60	CARE A4+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT/ST-Cash Credit	LT/ST	62.36	CARE BB+; Stable / CARE A4+	-	1)CARE BB+; Stable / CARE A4+ (12-Dec-24)	1)CARE BB+; Stable / CARE A4+ (06-Oct-23)	1)CARE BB; Stable / CARE A4+ (07-Oct-22)
2	Non-fund-based - LT/ ST-BG/LC	LT/ST	-	-	-	1)Withdrawn (12-Dec-24)	1)CARE BB+; Stable / CARE A4+ (06-Oct-23)	-
3	Non-fund-based - ST-Credit Exposure Limit	ST	0.60	CARE A4+	-	1)CARE A4+ (12-Dec-24)	1)CARE A4+ (06-Oct-23)	-
4	Fund-based - LT-Term Loan	LT	0.99	CARE BB+; Stable	-	1)CARE BB+; Stable (12-Dec-24)	-	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: NA
Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Non-fund-based - ST-Credit Exposure Limit	Simple

Annexure-5: Lender details

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

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

Contact us

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