Kerafibertex International Private Limited

March 05, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	6.50	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	65.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable / CARE A4+ and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	6.25	CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE A4+ and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Kerafibertex International Private Limited (KIPL) to monitor the rating vide e-mail communications dated August 08, 2025, August 22, 2025, August 29, 2025, September 08, 2025, September 16, 2025, September 23, 2025, September 29, 2025, October 10, 2025, October 13, 2025, October 31, 2025, November 11, 2025, November 21, 2025, December 08, 2025, December 23, 2025, January 09, 2026, January 15, 2026, and January 21, 2026, February 04, 2026 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on KIPL's bank facilities will now be denoted as **'CARE BB; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING'.**

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 KIPL are revised on account of non-availability of requisite information. Further, the ratings assigned to the bank facilities of KIPL are constrained by moderate profitability, leveraged capital structure with moderate debt coverage indicators, stretched liquidity during FY25 (Audited refers to the period from April 01 to March 31). The ratings further continue to be constrained by high dependence on exports, stiff competition in the industry and volatile profitability margins exposed to raw material price risk. The ratings, however, derive strength from healthy scale of operations and over a century track record of promoters in the coir industry and established export presence serving a reputed customer base.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

At the time of last rating on January 22, 2025 the following were the rating strengths and weaknesses (updated from the information available from Registrar of the Companies)

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

Key weaknesses

Moderate Profitability

Profitability remained moderate during the year with PBILDT margin marginally reduced to 8.13% in FY25 from 9.14% in FY24, primarily due to increased material cost on proportionate basis. However, the PAT margin has marginally improved to 2.89% in FY25 from 2.78% in FY24 due to increased non-operating income. In absolute terms, profitability increased with PBILDT and PAT of Rs.25.56 crore and Rs.9.07 crore respectively in FY25 from Rs.21.66 crore and Rs.6.58 crore respectively in FY24.

Leveraged Capital Structure with moderate debt coverage indicators

The company's capital structure has improved due to accretion of profit to reserves but remained leveraged marked by overall gearing ratio of 1.72x as on March 31, 2025 as against 1.94x as on March 31, 2024.

Further, with an increase in profitability in absolute basis, debt coverage indicators also improved but continued to remained moderate with Total Debt to GCA at 5.29 years as on March 31, 2025 as against 5.89 years as on March 31, 2024 and Interest coverage of 3.83x in FY25 compared with 3.29x during FY24.

High dependence on the export market and customer concentration risk

The company exports its products to the US and Europe. ~50% exports are to the US. Revenue is concentrated with top three customers contributing 85% income in FY24. Regulatory changes and demand slowdown in the US and European markets would have an adverse effect on the company, besides the foreign currency exposure risk.

Stiff competition internationally and unorganised mats/rugs industry

Indian carpet industry's growth potential hinges on the delicate balance between overseas demand and domestic supply capabilities. Post a surge in demand in FY22 from major export destinations, particularly hypermarkets and departmental stores, FY23 and FY24 witnessed a slowdown in demand due to recession and geopolitical issues. The stiff competition with international traders and the fragmented industry in India results in intense price competition.

Volatile profitability margins exposed to raw material price risk and foreign currency fluctuation risk

The company's major raw materials include coir, cotton rugs and polypropylene. Coir is sourced from Tamil Nadu, and cotton rugs and polypropylene are imported. The coir industry is exposed to huge variation in raw material prices. The company hedges ~50% receivables using forward contracts to counter the currency risk. The remaining hedging is done on a case-to-case basis depending on currency movements. The company's performance depends largely on the raw material prices and the overseas market scenario.

Key strengths

Healthy Scale of Operations

The company reported a healthy growth in its scale of operations during FY25 marked by its Total Operating Income (TOI) increased by 32.61% due to higher demand from the customers and remained at Rs.314.28 crore as against Rs.237.00 crore in FY24.

Over a century track record of promoters in the coir industry

KIPL was established in 2000 as a 100% export-oriented unit (EOU) to manufacture and export latex and vinyl-backed coir mats, mattings and allied products. KIPL was initially set up as a backward integration project to sell products exclusively to the Giacomini group. The group has been in the mat business for over 100 years and is one of the major players in distributing floor coverings in the European market. The company's day-to-day operations are handled by one of the directors, Noby, who is supported by functional heads.

Established export presence serving a reputed customer base

KIPL has been in the mattings export market for the last two decades. The company is in manufacturing, trading, and exporting mats and rolls made from natural fibres of coir, jute, and rubber among others. KIPL has four manufacturing units at Cherthala, Alappuzha, Kakkanad and Changanacherry, in Kerala. The company predominantly exports its products to the US, Italy and Europe, with the US. The group's long-standing presence has aided established relationships with reputed customers such as Ikea, Target, and Home Depot among others spread in the US and Europe. The company has an integrated infrastructure setup, covering major activities such as tufting, cutting, stencilling, bleaching and packaging machines, which also facilitates repeat orders from customers.

Liquidity: Stretched

The liquidity remained stretched due to higher working capital utilization due to its working capital intensive nature of operations with elongated gross current asset days of 131 days in FY25. The utilization of working capital limits remained 95-

99% for past twelve months ended January 2026. Cash and bank balance however remained moderate at Rs. 5.63 crore as on March 31, 2025. However, Cash Flow from Operations increased to Rs. 16.16 crore during FY25 as against Rs. 3.47 crore.

Applicable Criteria:

Criteria on Information Adequacy Risk and Issuer Non-Cooperation
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Diversified consumer products

KIPL was established in 2000 by Egidio Giacomini. The company is in manufacturing, trading, and exporting mats and rolls made from natural fibres of coir, jute, and rubber among others. KIPL has four manufacturing units at Cherthala, Alappuzha, Kakkanad and Changanacherry, in Kerala. KIPL has eight tufting lines, having a production capacity of 900 square metres vinyl and latex-backed coir mats per hour, which is ~64.80 lakh square metres per year. The company predominantly exports its products to the US, Italy and Europe.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	237.02	314.28
PBILDT*	21.66	25.56
Profit after tax (PAT)	6.58	9.07
Overall gearing (x)	1.94	1.72
Interest coverage (x)	3.29	3.83

A: Audited; 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

Covenants of rated instruments/facilities: Annexure-3

Complexity level of various 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		-	-	10-03-2032	6.50	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing		-	-	-	25.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-EPC/PSC		-	-	-	40.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.25	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	5.00	CARE A4; ISSUER NOT COOPERATING*

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

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-EPC/PSC	LT/ST	40.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+ (22-Jan-25)	1)CARE BBB-; Stable / CARE A3 (01-Dec-23)	1)CARE BBB-; Stable / CARE A3 (03-Nov-22)
2	Fund-based - LT/ ST-Bill Discounting / Bills Purchasing	LT/ST	25.00	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+ (22-Jan-25)	1)CARE BBB-; Stable / CARE A3 (01-Dec-23)	1)CARE BBB-; Stable / CARE A3 (03-Nov-22)
3	Non-fund-based - ST-Bank Guarantee	ST	1.25	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+ (22-Jan-25)	1)CARE A3 (01-Dec-23)	1)CARE A3 (03-Nov-22)
4	Non-fund-based - ST-Letter of credit	ST	5.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+ (22-Jan-25)	1)CARE A3 (01-Dec-23)	1)CARE A3 (03-Nov-22)
5	Fund-based - LT-Term Loan	LT	6.50	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (22-Jan-25)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: Short term; LT/ST: Long term/Short term

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

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-Bill Discounting/ Bills Purchasing	Simple
3	Fund-based - LT/ ST-EPC/PSC	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Letter of credit	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

Media Contact	**Analytical Contacts**
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Shachee Nakul Vyas Assistant Director **CARE Ratings Limited** Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director **CARE Ratings Limited** Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Foram Dhruv Joshi Lead Analyst **CARE Ratings Limited** Phone: 079-40265687 E-mail: foram.dave@careedge.in Sakshi Thadani Associate Analyst **CARE Ratings Limited** E-mail: Sakshi.Thadani@careedge.in

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com