



## Press Release

### Letoza Granito LLP

**May 29, 2024**

#### Ratings

Facilities	Amount (INR crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	62.00	IVR B/ Negative ISSUER NOT COOPERATING* (IVR B with Negative Outlook Issuer Not Cooperating)	Downgraded from IVR B+/ Negative ISSUER NOT COOPERATING* (IVR B Plus with Negative Outlook Issuer Not Cooperating) and continues in Issuer Not Cooperating category	Simple
Short Term Bank Facilities	4.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four Issuer Not Cooperating)	Reaffirmed and continues in Issuer Not Cooperating category	Simple
Long Term/ Short Term Bank Facility	1.00	IVR B/ Negative/ IVR A4 ISSUER NOT COOPERATING* (IVR B with Negative outlook and IVR A Four Issuer Not Cooperating)	Long-term rating downgraded from IVR B+/ Negative ISSUER NOT COOPERATING* (IVR B plus with Negative Outlook Issuer Not Cooperating) and short-term rating reaffirmed, and continues in Issuer Not Cooperating category	Simple
<b>Total</b>	<b>67.00 (INR sixty seven crore only)</b>			

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

#### Details of Facilities are in Annexure 1

#### Detailed Rationale

The ratings downgrade is because of lack of adequate information regarding Letoza Granito LLP's (LGLLP) performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the firm is commensurate with its rating and reviews the same as per its policy.



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The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities vide E-mail communications dated 07-02-2024, 22-02-2024, 21-03-2024, 26-04-2024, 03-05-2024, 06-05-2024, 07-05-2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short-term ratings for the bank loan facilities aggregating to INR 67.00 crore shall continue in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR B/ Negative/ A4 ISSUER NOT COOPERATING based on best available information (IVR B with negative outlook and IVR A four Issuer Not Cooperating based on best available information).

**Analytical Approach & Applicable Criteria:** Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of Rating Outlook](#)

[Default Recognition Policy](#)

### **About the Firm**

Letoza Granito LLP (LGLLP) was established in November 2020 as a limited liability partnership with 38 partners. The firm is setting up a manufacturing plant in Wankaner, Morbi



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district, Gujarat, to manufacture vitrified tiles, with an annual production capacity of ~113,100 metric Tonnes.

### Financials (Standalone)

(INR Crore)

For the year ended* / As On	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	-	-
EBITDA	-	-
PAT	-	-
Total Debt	-	-
Tangible Net worth	-	-
EBITDA Margin (%)	-	-
PAT Margin (%)	-	-
Overall Gearing Ratio (x)	-	-

\* As per Infomerics Standard

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr · N o.	Name of Instrument / Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (Apr 27, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22 (Feb 01, 2022)
1.	Term Loan	Long Term	47.00	IVR B/ Negative ISSUER NOT COOPERA TING*	IVR B+/ Negative ISSUER NOT COOPERA TING*	-	IVR BB-/ Stable
2.	Cash Credit	Long Term	15.00	IVR B/ Negative ISSUER NOT COOPERA TING*	IVR B+/ Negative ISSUER NOT COOPERA TING*	-	IVR BB-/ Stable
3.	Bank Guarantee	Short Term	4.00	IVR A4 ISSUER	IVR A4 ISSUER	-	IVR A4



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				NOT COOPERA TING*	NOT COOPERA TING*		
4.	Export Packing Credit/FBD	Short Term	(5.00)^	IVR A4 ISSUER NOT COOPERA TING*	IVR A4 ISSUER NOT COOPERA TING*	-	IVR A4
5.	Derivatives/ Forward Contract/C EL	Short Term	(0.34)^	IVR A4 ISSUER NOT COOPERA TING*	IVR A4 ISSUER NOT COOPERA TING*	-	IVR A4
6.	Unallocated Limits	Long/ Short Term	1.00	IVR B/ Negative/ IVR A4 ISSUER NOT COOPERA TING*	IVR B+/ Negative/ IVR A4 ISSUER NOT COOPERA TING*	-	IVR BB-/ Stable/ IVR A4

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

^Sub-limit of Cash Credit

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).



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Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy, or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Term Loan	-	-	September 2029	47.00	IVR B/ Negative ISSUER NOT COOPERATING*
Cash Credit	-	-	-	15.00	IVR B/ Negative ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	4.00	IVR A4 ISSUER NOT COOPERATING*



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Export Packing Credit/FBD	-	-	-	(5.00)^	IVR A4 ISSUER NOT COOPERATING*
Derivatives/ Forward Contract/CEL	-	-	-	(0.34)^	IVR A4 ISSUER NOT COOPERATING*
Unallocated Limits	-	-	-	1.00	IVR B/ Negative/ IVR A4 ISSUER NOT COOPERATING*

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

*^Sub-limit of Cash Credit*

**Annexure 2: Facility wise lender details: Not Applicable**

**Annexure 3: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com)