

May 28, 2024

Multistone Granito (P) Limited: 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	12.00	12.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	32.40	32.40	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	4.42	4.42	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	48.82	48.82	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Multistone Granito (P) Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]D; ISSUER NOT COOPERATING/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Multistone Granito (P) Limited, 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. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [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 Policy on Default Recognition
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in May 2016, Multistone Granito (P) Limited (MGPL) commenced commercial production from April 2018 with its product profile comprising double charged vitrified tiles of 600X600 mm and 800X800 mm. MGPL's manufacturing unit is located at Wankaner, Morbi, the ceramic tile manufacturing hub of Gujarat. MGPL is equipped to manufacture 73,800 metric tonnes (MT) of tiles per annum. In FY2018 (eight months of operations), on a provisional basis, it reported a net loss before depreciation and taxation of Rs. 6.64 crore on an operating income of Rs. 14.23 crore.

Key financial indicators

	FY2022	FY2023
Operating income	54.4	48.3
PAT	0.0	-2.2
OPBDIT/OI	11.3%	6.0%
PAT/OI	0.1%	-4.6%
Total outside liabilities/Tangible net worth (times)	4.9	5.9
Total debt/OPBDIT (times)	8.1	15.5
Interest coverage (times)	1.4	0.9

Source – MCA Website

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in
				28-May-2024	29-Mar-2023	13-Jan-2022	27-Nov-2020
1 Cash Credit	Long Term	12.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2 Term Loan	Long Term	32.40	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3 Non Fund Based	Long Term	4.42	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non Fund Based	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-I: 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	-	-	-	12.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	August 2016	-	FY2026	32.40	[ICRA]D; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	4.42	[ICRA]D; ISSUER NOT COOPERATING

Source: Multistone Granito (P) Limited

Annexure-II: 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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