

March 15, 2024

Mad Studios Private 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-Non-Fund Based-Others	2.00	2.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	2.50	2.50	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	13.00	13.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	17.50	17.50	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term ratings of Mad Studios Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Mad Studios Private 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

Mad Studios Private Limited (MSPL) was incorporated on 30th January 2012 and is primarily engaged in the production of television commercials. The company also in the recent past forayed into movie production and end to end production

services business that entails leasing of equipment and related services to various directors, film studios, production houses, etc. MSPL is a part of the Mad Group. The flagship company of the Group is Mad Entertainment Limited, promoted by Mr. Sunil Manchanda who has been in the Media Industry for more than two decades. The Group has produced more than 1000 television commercials for various famous brands till date.

Key financial indicators

	FY2022 (in crore)	FY2023 (in crore)
Operating income	12.90	11.99
PAT	0.59	0.01
OPBDIT/OI	25.17%	19.78%
PAT/OI	4.55%	0.10%
Total outside liabilities/Tangible net worth (times)	-1.72	-1.70
Total debt/OPBDIT (times)	5.97	8.69
Interest coverage (times)	2.81	2.79

Source-MCA

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortization

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	
				15-Mar-2024	20-Jan-2023	21-Dec-2021	14-Oct-2020	
1 Non-Fund Based- Others	Long Term	2.00	-	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	
				NOT	NOT	NOT	NOT	
				COOPERATING	COOPERATING	COOPERATING	COOPERATING	
2 Cash Credit	Long Term	2.50	-	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	
				NOT	NOT	NOT	NOT	
				COOPERATING	COOPERATING	COOPERATING	COOPERATING	
3 Term Loan	Long Term	13.00	-	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	[ICRA]D; ISSUER	
				NOT	NOT	NOT	NOT	
				COOPERATING	COOPERATING	COOPERATING	COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Fund Based-Others	Very Simple
Cash Credit	Simple
Term Loan	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	Non-Fund Based- Others	-	-	-	2.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Cash Credit	-	-	-	2.50	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	13.00	[ICRA]D; ISSUER NOT COOPERATING

Source: Mad Studios Private Limited (MSPL)

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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