

April 08, 2024

Madhucon Granites 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-Term Loan	82.06	82.06	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Fund Based-Cash Credit	42.57	42.57	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based- Others	9.10	9.10	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	133.73	133.73	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-term and Short-term rating for the bank facilities of Madhucon Granites Limited in the ‘Issuer Not Cooperating’ category. The rating is denoted as “[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING”.

As part of its process and in accordance with its rating agreement with Madhucon Granites 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 the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicator: [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	Not Applicable
Consolidation/Standalone	Standalone

About the company

Madhucon Granites Limited, a part of Madhucon Group, was incorporated in 1994 as a private limited company and is closely held by the promoters. The company is involved in manufacturing of polished granite slabs. It has one processing unit at Hosur (Tamil Nadu) with an installed capacity of 6.5 lakh sq. mtr. The company also has 13 operational quarries mainly located in Andhra Pradesh, Tamil Nadu and Karnataka. Madhucon Group has diversified interests across industries including construction, granite, coal, sugar and power. MGL has three subsidiaries, namely, Madhucon Sugar and Power Industries Limited (MSPIL), Nama Granites Private Limited (NGPL- not operational) and Nama Holdings Pte Limited (NHPL). MSPIL has a sugar plant in Khammam (Andhra Pradesh) with an installed capacity of 3500 tons of canes per day and a power plant with a capacity of generating 24.2 MW from baggase and coal. MSPIL has also established a distillery unit in 2015 with a capacity of 65 kilo litres per day. NHPL is a Singapore based entity which has in turn invested in the Group's Indonesian entities for the procurement of imported coal; however, the same is currently not operational.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
Brickworks	BWR D/BWR D/ ISSUER NOT COOPERATING	November 14, 2023

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in	
				08-April-2024	24-February-2023	26-November-2021	01-September-2020	
1 Term Loan	Long Term	82.06	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	
2 Cash Credit	Short Term	42.57	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	
3 Non Fund Based	Short Term	9.10	-	[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
Long Term Fund Based-Term Loan	Simple
Short Term Fund Based-Cash Credit	Simple
Short Term - 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-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term-Fund Based-Term Loan	-	-	-	82.06	[ICRA]D; ISSUER NOT COOPERATING
NA	Short Term-Fund Based-Cash Credit	-	-	-	42.57	[ICRA]D; ISSUER NOT COOPERATING
NA	Short Term-Non Fund Based- Others	-	-	-	9.10	[ICRA]D; ISSUER NOT COOPERATING

Source: Madhucon Granites Limited

Annexure-2: 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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