

September 10, 2024

BVL Granites: Continues to remain under Issuer Not 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	28.00	28.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating continues to remain under 'Issuer Not Cooperating' category
Long-term-Unallocated limits	3.00	3.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating continues to remain under 'Issuer Not Cooperating' category
Total	31.00	31.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term rating of BVL Granites in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable); ISSUER NOT COOPERATING.

As part of its process and in accordance with its rating agreement with BVL Granites, ICRA has been trying to seek information from the entity 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 remained as 'Issuer Not Cooperating'. 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
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

BVL Granites was established in 2007 as a partnership firm and is involved in granite quarrying, processing and export. The firm operates out of a plant spread over an area of 18.75 acres with an overall production capacity of 7,43,218 sqm./annum in Prakasam, Andhra Pradesh. BVL Granites is a part of the BVL Group of Companies based in Ongole, Andhra Pradesh. The Group has a major presence in tobacco processing and export, construction, real estate apart from granite quarrying, processing and export. However, each firm is operated independently and transactions, if any, are carried out at arm's length.

Key financial indicators

	FY2022	FY2023
Operating income	29.4	21.2
PAT	0.1	-2.3
OPBDIT/OI (%)	23%	17.8%
PAT/OI (%)	0.4%	-11.0%
Total outside liabilities/Tangible net worth (times)	1.8	1.8
Total debt/OPBDIT (times)	6.4	11.2
Interest coverage (times)	1.5	0.9

Amount in Rs. crore

Status of non-cooperation with previous CRA: NA

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)	Date & Rating in	Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022
			10-Sep-2024	27-Feb-2024	21-Aug-2023	01-July-2022	28-April-2022	-
1 Fund based-Cash credit	Long-term	28.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable)	[ICRA] BB- (Stable)	[ICRA]B+(Stable); ISSUER NOT COOPERATING	-
2 Unallocated limits	Long-term	3.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable)	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	-
3 Non-fund based	Short-term	-	-	-	[ICRA]A4; withdrawn	[ICRA]A4	[ICRA]A4; ISSUER NOT COOPERATING	-
4 Fund-based term loan	Long-term	-	-	-	-	[ICRA] BB- (Stable)	[ICRA]B+(Stable); ISSUER NOT COOPERATING	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based - Cash credit	Simple
Unallocated limits	Not Applicable

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, are 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	Fund based - Cash credit	NA	NA	NA	28.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated limits	NA	NA	NA	3.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Company

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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