

May 31, 2024

## Amazoone Ceramics Ltd.: Moved to Non-Cooperating category, Ratings downgraded based on best available information

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund Based – Working Capital Facilities	4.00	4.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB with change in outlook from Negative to Stable and moved to the 'Issuer Not Cooperating' category
Short Term – Non-Fund Based – Bank Guarantee & Letter of Credit	3.00	3.00	[ICRA]A4 ISSUER NOT COOPERATING*; Rating moved to the 'Issuer Not Cooperating' category
<b>Total</b>	<b>7.00</b>	<b>7.00</b>	

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

*<sup>^</sup>Instrument details are provided in Annexure-I*

### Rationale

ICRA has downgraded and moved the ratings for the bank facilities of Amazoone Ceramics Ltd. in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable) ISSUER NOT COOPERATING/[ICRA]A4 ISSUER NOT COOPERATING".

The rating downgrade is because of lack of adequate information regarding Amazoone Ceramics Ltd. performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at [www.icra.in](http://www.icra.in). 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 entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Amazoone Ceramics Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated 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, a rating view has been taken on the entity 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, Key Financial Indicator and 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	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy in respect of Non-cooperation by a rated entity</a>
Parent/Group support	Promoter Group: Asian Granito Limited (AGL) The ratings assigned to ACL factors in the likelihood of its parent, AGL, extending financial support to it because of close business linkages between them. ICRA expects AGL to be willing to extend financial support to ACL out of its need to protect its reputation from the consequences of a group entity's distress. There also exists a consistent track record of AGL having extended timely financial support to ACL in the past, whenever a need has arisen.
Consolidation/Standalone	The ratings are based on ACL's standalone financials.

### **About the company**

Incorporated in 2003, Amazoone Ceramics Ltd. manufactures porcelain tiles at its facility in Dalpur (Himmatnagar, Gujarat). It has an overall manufacturing capacity of ~2.4 million sq. mt. at present. ACL is a subsidiary of AGL, with the latter holding 97.83% stake in ACL.

**Status of non-cooperation with previous CRA: Not Applicable**

**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 as of March 31, 2023 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024			Date & Rating in FY2023			Date & Rating in FY2022	
				May 31, 2024	Aug 23, 2023	Jun 02, 2023	Feb 10, 2023	Nov 25, 2022	Sep 13, 2022	Jun 03, 2022	Oct 27, 2021	
1	Working Capital Facilities	Long Term	4.00	-	<b>[ICRA]B+ (Stable) ISSUER NOT COOPERATING</b>	[ICRA]BB (Negative)	[ICRA]BB (Negative)	[ICRA]BB+ (Negative)	[ICRA]BBB- (Negative)	[ICRA]BBB (Negative)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)
2	Bank Guarantee & Letter of Credit	Short Term	3.00	-	<b>[ICRA]A4 ISSUER NOT COOPERATING</b>	[ICRA]A4	[ICRA]A4	[ICRA]A4+	[ICRA]A3	[ICRA]A3+	[ICRA]A2	[ICRA]A2

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term – Working Capital Facilities	Simple
Short Term – Bank guarantee & Letter of Credit	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	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term-Working Capital	NA	NA	NA	4.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING
NA	Bank guarantee & Letter of Credit	NA	NA	NA	3.00	[ICRA]A4 ISSUER NOT COOPERATING

Source: Company

**Annexure-II: List of entities considered for consolidated analysis: Not Applicable**

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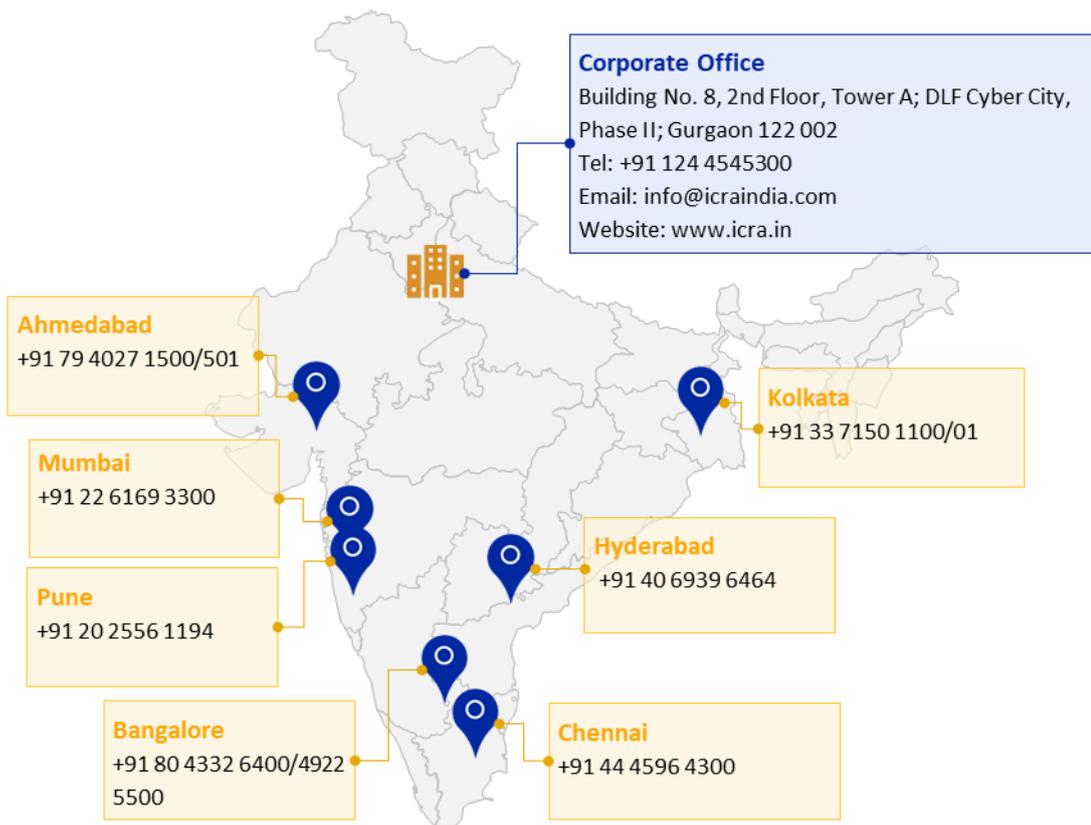
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