



Press Release

Imperial Granites Pvt Ltd

August 17, 2020

Rating

Instrument / Facility	Amount (Rs. Crore)	Rating	Rating Action
Long Term Bank Facilities	9.00	IVR BB; Stable; ISSUER NOT COOPERATING* (IVR Double B with Stable outlook; Issuer Not Cooperating)	Revised from IVR BB/Stable (IVR Double B with Stable outlook)
Short Term Bank Facilities	5.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Revised from IVR A4 (IVR A Four)
Total	14.00		

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information regarding Imperial Granites Pvt Ltd's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

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 company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated May 28, 2020, Aug 04, 2020, August 06, 2020 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long- term and short-term ratings for the bank loan facilities of Imperial Granites Pvt Ltd aggregating to Rs.14.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be



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noted as “IVR BB;Stable/ IVR A4; Issuer Not Co-operating; Based on best available information (IVR Double B with Stable outlook and IVR A Four: Issuer Not Co-operating; Based on best available information)”. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria:

Standalone

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Incorporated in 1986, Chennai based Imperial granites Pvt Ltd (IGPL) was promoted by Mr. R Veeramani. The company is engaged in quarrying and processing of granite stones blocks which involves cutting, polishing and finishing of the granite slabs from the rocks. The company has its operational quarries in various states and has a processing unit at Velavadi Village, Chittoor District in Andhra Pradesh. IGPL deals in ~40 granites varieties. The company mainly caters to the domestic markets predominantly in southern region of the country. Further, the company also exports its products to various countries such as China, USA and other European countries. Export constitutes ~36% of its revenue in FY18. The day to day operations of the company are looked after by the promoter Mr. R Veeramani well supported by the other directors.

Financials (Standalone)

(Rs. Crore)

For the year ended* / As On	31-03-2017	31-03-2018
	Audited	Audited
Total Operating Income	50.70	50.37
EBITDA	5.31	4.66
PAT	1.30	9.35
Total Debt	13.93	21.08
Tangible Net Worth	55.86	64.64
EBITDA Margin %	10.47	9.24
PAT Margin %	2.79	15.11
Overall Geating (x)	0.25	0.33

**Based on Infomerics classification*



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Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Cash Credit	Long Term	9.00	IVR BB/Stable; ISSUER NOT COOPERATING	IVR BB/Stable (May 23, 2019)	-	-
2.	EPC	Short Term	5.00	IVR A4; ISSUER NOT COOPERATING	IVR A4 (May 23, 2019)	-	-

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

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Rating Analyst:

Name: Mr. Sanmoy Lahiri

Tel: (033) 46022266

Email: slahiri@infomerics.com

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Firm's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.



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Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits- Cash Credit	-	-	-	9.00	IVR BB/ Stable; ISSUER NOT COOPERATING
Short Term Fund Based Limits- EPC	-	-	-	5.00	IVR A4; ISSUER NOT COOPERATING

* Issuer did not cooperate; based on best available information