

Press Release

RAVILEELA GRANITES LIMITED

May 24, 2019

Rating Withdrawn



Total Instruments Rated*	Rs. 20.00 Cr.
Long Term Rating	ACUITE BB- (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE BB-**' (read as **ACUITE Double B Minus**) to the Rs. 20.00 crore proposed bank facilities of Ravileela Granites Limited (RGL). The rating withdrawal is in accordance with the Acuite's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company.

RGL, incorporated in 1990, is a Telangana-based company engaged in processing and export of polished Indian Granite. The company is promoted by Mr. Parvat Srinivas Reddy, Mrs. Parvatha Samantha Reddy, Mr. Rama Krishna Grandhi, Mr. Musaligari Mohan Reddy and Mr. Konduri Nandakumar. The manufacturing unit of the company is located in Telangana with an installed capacity of 120000 Sq. mtrs per annum. The company exports to countries including USA, Poland, Switzerland and Italy.

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of RGL.

About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	38.76	41.04	38.96
EBITDA	Rs. Cr.	2.90	4.55	5.91
PAT	Rs. Cr.	2.71	1.21	2.12
EBITDA Margin	(%)	7.47	11.08	15.18
PAT Margin	(%)	6.99	2.94	5.44
ROCE	(%)	12.16	16.29	46.43
Total Debt/Tangible Net Worth	Times	1.34	1.51	1.58
PBDIT/Interest	Times	2.07	2.75	5.76
Total Debt/PBDIT	Times	4.56	3.52	2.50
Gross Current Assets (Days)	Days	302	233	256

Status of non-cooperation with previous CRA (if applicable):

None

Any other information

"Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups"

Applicable Criteria

- Manufacturing entities: <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-Apr-2019	Proposed Cash Credit	Long Term	15.00	ACUITE BB- (Issuer not co-operating*)
	Proposed Term Loan	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
05-Feb-2018	Proposed Cash Credit	Long Term	15.00	ACUITE BB- (Assigned)
	Proposed Term Loan	Long Term	5.00	ACUITE BB- (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB- (Withdrawn)
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- (Withdrawn)

Contacts

Analytical	Rating Desk
Srihari Adari Head - Corporate and Infrastructure Sector Ratings Tel: 040-40042327 srihari.adari@acuite.in Bhavani Sankar Oruganti Senior Analyst - Rating Operations Tel: 040-40055452 bhavanisankar.oruganti@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research:

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