Press Release

KARNATAKA AGRO CHEMICALS

August 22, 2025

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	60.78	ACUITE C | Reaffirmed | Issuer not co-operating*	-
Bank Loan Ratings	5.00	-	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	65.78	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* *The issuer did not co-operate; based on best available information.*			

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE C' (read as ACUITE C)**and short-term rating of **'ACUITE A4' (read as ACUITE A four)**on the Rs. 65.78 Crore bank facilities of Karnataka Agro Chemicals. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Karnataka Agro Chemicals (KAC) is based in Bengaluru, was established in 1974 by Dr. Mr. Gopalakrishna Pommayya Shetty. KAC manufactures various fertilizer products, viz.: Single Micronutrients (Chelated & Non-Chelated), Major Nutrients, Secondary nutrients (Chelated & Non-Chelated), Multi Micronutrients (Chelated & Non Chelated), Plant Bio-Activators, Plant Growth Regulator and Spray Adjuvants. It has manufacturing units at Nagarbhavi and Tumkur in Karnataka, Ghaziabad in Uttar Pradesh, and Bhubaneshwar in Odisha. Its daily operations are managed by Mr. Mahesh Gopalakrishna Shetty and Mr. Nishchita Mahesh Shetty.

About the Group

Multiplex Group comprises of three companies i.e. Karnataka Agro Chemicals (estd. 1974) , Multiplex Agricare Private Limited (estd. 1996) & Multiplex Bio-Tech Private Limited (estd. 2000). The group is engaged in manufacturing of fertilizers and related products. Karnataka Agro Chemicals (KAC) is based in Bengaluru, was established in 1974 by Dr. G.P Shetty. KAC manufactures various fertilizer products, viz.: Single Micronutrients (Chelated & Non Chelated), Major Nutrients, Secondary nutrients (Chelated & Non Chelated), Multi Micronutrients (Chelated & Non Chelated), Plant Bio-Activators, Plant Growth Regulator and Spray Adjuvants. It has manufacturing units at Nagarbhavi and Tumkur in Karnataka; Ghaziabad in Uttar Pradesh and Bhubaneshwar in Odisha. Its daily operations are managed by Mr. Mahesh Shetty. Incorporated in 2000, Multiplex Bio-Tech Private Limited (MBPL) is the one of the Group Company of MULTIPLEX group. MBPL is promoted by Mr. Mahesh Gopalakrishna and his family members. It is engaged in manufacturing and marketing of micronutrients fertilizers and various bio Products, viz. Multiplex Organic Manure, Bio-Fertilizers, Bio-Fungicides, Bio Insecticides and Bio Pesticides. The Group has manufacturing unit located at Nelamangala near Bangalore (Karnataka). It is also engaged in manufacturing of agro based bi-products which are used for agriculture crop growth.

Unsupported Rating
Not Applicable

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance

& review of the rating. However, the issuer / borrower failed to submit such information before due date. Acuité believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity
No information provided by the issuer / available for Acuité to comment upon.

Liquidity Position
No information provided by the issuer / available for Acuité to comment upon.

Outlook: Not Applicable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	324.00	305.12
PAT	Rs. Cr.	17.70	15.46
PAT Margin	(%)	5.46	5.07
Total Debt/Tangible Net Worth	Times	1.95	1.85
PBDIT/Interest	Times	4.97	4.25

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 May 2024	Letter of Credit	Short Term	5.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A3)
	Secured Overdraft	Long Term	25.00	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BBB- | Stable)
	Term Loan	Long Term	16.76	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BBB- | Stable)
	Proposed Long Term Bank Facility	Long Term	19.02	ACUITE C (Downgraded & Issuer not co-operating* from ACUITE BBB- | Stable)
06 Mar 2023	Letter of Credit	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Secured Overdraft	Long Term	25.00	ACUITE BBB- | Stable (Reaffirmed)
	Term Loan	Long Term	16.76	ACUITE BBB- | Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	19.02	ACUITE BBB- | Stable (Reaffirmed)

** The issuer did not co-operate; based on best available information.*

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Karnataka Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.02	Simple	ACUITE C | Reaffirmed | Issuer not co-operating*
Karnataka Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE C | Reaffirmed | Issuer not co-operating*
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Aug 2029	16.76	Simple	ACUITE C | Reaffirmed | Issuer not co-operating*

** The issuer did not co-operate; based on best available information.*

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Name of the company
1	KARNATAKA AGRO CHEMICALS
2	MULTIPLEX AGRICARE PRIVATE LIMITED
3	MULTIPLEX BIOTECH PRIVATE LIMITED

Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

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About Acuité Ratings & Research

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