

Dakshin Exports

March 17, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|---------------------------|------------------|--|---|
| Long Term Bank Facilities | 24.60 | CARE B+; Stable; ISSUER NOT COOPERATING* | Downgraded from CARE BB-; Stable and moved to ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1

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

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Dakshin Exports (DE) to monitor the rating(s) vide e-mail communications dated March 06, 2026, March 03, 2026, February 26, 2026, February 23, 2026, February 20, 2026, February 16, 2026 and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on DE's bank facilities will now be denoted as '**CARE B+; Stable; ISSUER NOT COOPERATING**'

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of Dakshin Exports (DE) has been revised on account of non-availability of requisite information. The ratings continue to be constrained on account of by small scale of operations, weak debt coverage indicators, moderate capital structure, intense competition in the industry with presence of innumerable unorganized players, profitability margins to raw material price fluctuation risk and partnership nature of business constitution. However, the rating derives strength from experienced promoters with long track record of operations, and established relationship with customers.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on April 04, 2025, the following were the rating strengths and weaknesses

Key weaknesses

Small scale of operations:

The firm is majorly engaged in trading of rough granite blocks, granites slabs and manufacturing of granite monuments. The firm exports (100%) to China, Taiwan, Germany, Croatia, Italy, U.S and Poland. The firm's scale of operations remains small reaching ₹60.89 crore in FY24 (April 01 to March 31), up from ₹44.48 crore in FY23. This growth has been driven by an increase in orders and improved realizations. However, the firm booked had booked income of ₹31.00 crore in 11m FY25 (April 01 to February 29).

Weak debt coverage indicators and moderate capital structure:

The debt coverage indicators of the firm remained weak, albeit improved, with total debt/ GCA of 16.15x as of March 31, 2024, compared to 20.97x as of March 31, 2023. The capital structure of the firm marked by overall gearing stood moderately leveraged at 1.61x as on March 31, 2024 (PY: 1.64x).

Intense competition in the industry with presence of innumerable unorganized players:

Globally, granite production is dominated by China, Brazil, India, Saudi Arabia, Italy, and Spain. India has abundant resources of granite, which makes it one of the top producers and exporters of granite in the world. Granite being a natural stone; the key demand drivers for Indian granites worldwide depend on availability of new deposits of granites with new colours and texture. The presence of vast mineral resources along with increasing demand globally has provided robust growth opportunities to players in the segment. Due to this, the industry is marked by presence of innumerable unorganized players and the granite industry is a fragmented industry which results in intense competition.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Profitability margins susceptible to raw material price fluctuation risk:

DE's total sales belong to export sales, exposing the profitability margins to susceptible in fluctuation of foreign exchange prices. The firm receives payment from its customers at the current exchange rate. The firm does not have any hedging mechanism to avoid fluctuation in foreign exchange prices.

Partnership nature of business constitution with inherent risk of withdrawal of capital:

DE is a partnership nature of business wherein the inherent risk of withdrawal of capital by the promoter at the time of their personal contingencies resulting in erosion of capital base leading to adverse effect on capital structure. It is witnessed that the promoters had withdrawn capital of Rs. 0.83 crores in FY22, Rs. 1.39 crores in FY23 and Rs. 1.85 crore in FY24.

Key strengths
Long track record of operations with vast experience of the promoters in granite industry:

DE was promoted by Rajendra Babu, managing partner and Vinitha, Partner. Both partners have vast experience in granite industry for more than two decades. The firm has a track record of more than two decades in trading of granite blocks and slabs and manufacturing of granite monuments. The granite monuments are used as tombstones, gravestones, etc. in cemeteries in China, Germany, and Taiwan

Established relationship with customers and suppliers:

DE has long term relationship with customers and suppliers due to a long track record of over 25 years in the industry. Some of the major suppliers are in Andhra Pradesh, Telangana, and Karnataka. The firm has its unit located at Thodukadu, Tamil Nadu. The firm exports the rough granite blocks, granite slabs and granite monuments to various customers in China, Taiwan, Germany, Croatia, Italy, U.S and Poland with most of them having around 2 decades of relationship.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable Criteria

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

[Rating Methodology -Wholesale Trading](#)

[Rating Methodology - Manufacturing companies](#)

About the company and industry
Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|-------------------------|-----------------|-------------------|---------------------|
| Commodities | Metals & Mining | Minerals & Mining | Industrial Minerals |

DE was established in October 1996 by Mr. Rajendra Babu and Mrs. Vinitha in Chennai, Tamil Nadu. The firm is mainly engaged in trading of rough granite blocks and slabs and manufactures granite monuments as per customer requirement. The firm exports (100%) the granite blocks, slabs and granite monuments to the customers located at China, Taiwan, Italy, Germany, and Poland. The firm has manufacturing unit and stockyard located at Tiruvallur Dist., Tamil Nadu. The firm has an installed capacity to produce 100 containers per annum with 28MT per container for granite monuments that is manufactured in house and exported majorly to Europe countries.

| Brief Financials (₹ crore) | March 31, 2023 (A) | March 31, 2024 (A) | 11MFY25 (Prov.) |
|----------------------------|--------------------|--------------------|-----------------|
| Total operating income | 44.48 | 60.88 | 31.00 |
| PBILDT* | 2.62 | 3.44 | - |
| Profit after tax (PAT) | 0.84 | 1.12 | - |
| Overall gearing (x) | 1.64 | 1.61 | - |
| Interest coverage (x) | 1.80 | 1.68 | - |

A: Audited Prov: Provisional; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: CRISIL has conducted a review based on the best available information and has classified DE as “noncooperative” vide its press release dated December 11, 2025. The reason provided by CRISIL is the non-furnishing of information for monitoring of rating from the firm

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|--|------|-------------------------------|-----------------|----------------------------|-----------------------------|--|
| Fund-based - LT-Packing Credit in Foreign Currency | | - | - | - | 24.60 | CARE B+; Stable; ISSUER NOT COOPERATING* |

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

Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|--|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 |
| 1 | Fund-based - LT-Packing Credit in Foreign Currency | LT | 24.60 | CARE B+; Stable; ISSUER NOT COOPERATING* | 1)CARE BB-; Stable (04-Apr-25) | 1)CARE BB-; Stable (04-Apr-24) | - | 1)CARE BB-; Stable (29-Mar-23) |

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

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|--|------------------|
| 1 | Fund-based - LT-Packing Credit in Foreign Currency | Simple |

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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| <p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p> | <p>Analytical Contacts</p> <p>Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in</p> <p>Foram Dhruv Joshi Lead Analyst CARE Ratings Limited Phone: 079-40265687 E-mail: foram.dave@careedge.in</p> <p>Krupa Kariya Associate Analyst CARE Ratings Limited E-mail: Krupa.Kariya@careedge.in</p> |
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