

## Rating Rationale

**Brickwork Ratings assigns ‘BWR B+’ & ‘BWR A4’ rating for the Bank Loan Facilities aggregating ₹ 16.08 Cr of A-Class Marbles (India) Private Limited.**

Brickwork Ratings (BWR) has assigned the following **Rating<sup>1</sup>** for the Bank Loan Facilities of Rs.16.08 Cr of A-Class Marbles (India) Private Limited (**‘AMPL’ or ‘Company’**).

Facility	Limits (₹ Cr)	Tenure	Rating
<b><u>Fund Based</u></b>			<b>BWR B+</b> (Pronounced BWR B Plus)
Cash Credit	<b>7.00</b>	<b>Long Term</b>	<b>(Outlook: Stable)</b>
Term Loan	<b>5.08</b>		
<b><u>Non-Fund Based</u></b>			<b>BWR A4</b> (Pronounced BWR A Four)
FLC	<b>4.00</b>	<b>Short Term</b>	
<b>Total</b>	<b>16.08</b>	<b>INR Sixteen Crore and Eight Lacs only</b>	

BWR has principally relied upon the audited financial results up to FY14, provisional financials for FY15 and projections for FY16 & FY17 and publicly available information and information/clarifications provided by the management.

The ratings factor in, inter alia, the promoter’s experience of more than three decades in marbles trading business, healthy growth in operating income and improvement in capital structure on account of equity infusion by promoters. However, the ratings are constrained by low profit margins due to limited value addition, working capital intensive nature of operations and risk arising due to foreign currency fluctuations.

### Management Profile:

The key management and promoters of the company are Mr. Rai Chand Bhandari, Mr. Rajesh Bhandari, Mr. Ramesh Bhandari, Ms. Niyati Bhandari and Ms. Preksha Bhandari, who are also the directors of the company.

### Business Profile:

AMPL, incorporated in July 2005, was set up to carry out business in granite, marble, sand stone, cultured & quartz marbles, tiles and slabs. Currently, the company is engaged in processing and trading of marbles and slabs imported from Italy, Greece, Vietnam and China.

<sup>1</sup> Please refer to [www.brickworkratings.com](http://www.brickworkratings.com) for definition of the Ratings

The company has its processing unit at Kishangarh, Rajasthan with an installed capacity of 45 lac square feet per annum, which commenced commercial operations from December 2012. The company has its dealer network mainly in Delhi and Rajasthan.

**Financial Performance:**

AMPL reported total revenue from operations at Rs.75.46 Cr in FY14 as against Rs.49.02 Cr in FY13. The company has recorded total operating income of Rs.84.56 Cr provisionally for FY15. Operating Profit Margin and Net Profit Margin of the company was at 9.92% and 0.71% in FY14 respectively.

**Rating Outlook:**

The outlook is expected to be stable for the current year. Going forward, the company’s ability to increase scale of operations, improve profit margins and efficiently manage its working capital cycle remains the key rating sensitivities.

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