



Press Release
A-CLASS MARBLE INDIA PRIVATE LIMITED
June 17, 2025
Rating Assigned, Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.43	ACUITE BB+ Positive Assigned	-
Bank Loan Ratings	101.00	ACUITE BB+ Positive Reaffirmed Stable to Positive	-
Bank Loan Ratings	5.00	Not Applicable Withdrawn	-
Bank Loan Ratings	14.00	-	ACUITE A4+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	136.43	-	-
Total Withdrawn Quantum (Rs. Cr)	5.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.115.00 Crore bank facilities of A-Class Marble India Private Limited (A-CMIPL). The outlook is revised to '**Positive**' from '**Stable**'.

Acuite has assigned the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) on Rs 21.43 crore bank facilities of A-Class Marble India Private Limited (A-CMIPL). The outlook is '**Positive**'.

Further, Acuite has withdrawn its long-term rating on the bank loan facilities of Rs. 5.00 Cr. of A-Class Marble India Private Limited (A-CMIPL) without assigning any rating as it is a proposed facility. The rating is being withdrawn on account of the request received from the company and in accordance with Acuite's policy on withdrawal of ratings as applicable to the respective facility / instrument.

Rationale for Rating

The revision in outlook takes into consideration the growth in revenue which stood at Rs.277.46 Crore in FY2025 (Prov.) against Rs.248.00 Crore in FY2024 contributed by increase in terms of volume as well as slight increase in realization. The rating also factors in expected improvement in scale of operations in the medium term emanating from the timely completion of capex plan related to expansion of showroom, stockyard and same will be a key monitorable factor. Additionally, the financial risk profile is moderate characterized by gearing at 1.56 times as on 31st March, 2025 (Prov.) and debt protection metrics with interest coverage ratio and debt service coverage ratio at 2.80 times and 1.72 times respectively as on 31st March 2025 (Prov.) and the liquidity position is adequate reflected by sufficient net cash accruals against debt obligations in the period. Further, the rating takes into account the established track record of operations and experienced management of more than two decades in marble industry. These strengths are however, partly offset by the intensive working capital nature of operations marked by high GCA days of 335 days as on 31st March, 2025 (Prov.) and high working capital limits utilisation along with risk associated to currency fluctuation as majority of its raw material procurements are through import.

About the Company

Kishangarh, Rajasthan based, A-Class Marble India Private Limited was incorporated in July 2005 and promoted by Mr. Rai Chand Bhandari and his sons, Mr. Rajesh, and Mr. Ramesh. The company is engaged in processing and trading of marbles and slabs. The Present directors of the company are Mr. Rai Chand Bhandari, Mr. Rajesh Bhandari, and Mr. Ramesh Bhandari.

Unsupported Rating

Not applicable

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of A-Class Marble India Private Limited (A-CMIPL) to arrive at the rating.

Key Rating Drivers

Strengths

Experienced Management and Augmentation in Business Risk Profile

A-CMIPL has been engaged in processing and trading of marbles and slabs. Currently the company is managed by Mr. Rai Chand Bhandari, Mr. Rajesh Bhandari, and Mr. Ramesh Bhandari who has an experience of about more than two decades in same industry. The experienced management has helped the company in establishing healthy relationship with its customers and suppliers. Acuite believes that A-CMIPL will continue to benefit from its established track record and experience of promoters in this line of business. The operations of the company have improved marked by operating income which stood at Rs.277.46 Crore in FY2025 (Prov.) as against Rs.248.00 Crore in FY2024. The increase is contributed by the sales being increased in terms of volume as well as slight increase in realization. Further, the EBITDA margin of the company increased and stood at 16.72% in FY2025 (Prov.) against 10.70% in FY2024 majorly on an account of decrease in raw material procurement costs in FY2025 (Prov.). Likewise, the PAT Margin stood at 6.98% in FY2025 (Prov.) against 3.13% in FY2024. Going forward, the company is expected to achieve a topline of around Rs.300 Cr. in FY2026.

Moderate Financial risk profile

The financial risk profile of the company is marked by moderate net worth, gearing and comfortable debt protection metrics. The tangible net-worth stood at Rs.101.65 Crore as on 31st March 2025 (Prov.) as against Rs.68.37 Crore as on 31st March 2024. The increase in the net-worth is on an account of accretion of profits into reserves and treatment of unsecured loans as quasi equity. The capital structure of the company is moderate marked by gearing ratio which stood at 1.56 times as on 31st March 2025 (Prov.) against 2.08 times as on 31st March 2024. Further, the coverage indicators of the company are reflected by interest coverage ratio and debt service coverage ratio which stood at 2.80 times and 1.72 times respectively as on 31st March 2024 against 2.29 times and 1.36 times as on 31st March 2024. Moreover, the company is expanding its showroom and stockyard wherein the total cost of the project is expected to be Rs.33.48 Cr. and the same will be funded through promoter's contribution, bank and unsecured loans. The TOL/TNW ratio of the company stood at 2.09 times as on 31st March 2025 (Prov.) against 2.69 times as on 31st March 2024 and DEBT-EBITDA of the company stood at 3.34 times as on 31st March 2025 (Prov.) against 5.18 times as on 31st March 2024. Acuite believes that going forward the financial risk profile of the company is expected to remain in similar range on account of debt funded capex plans in near to medium term.

Weaknesses

Intensive Working capital operations

The working capital operations of the company are intensive marked by GCA days which stood at 335 days as on 31st March, 2025 (Prov.) as against 278 days as on 31st March, 2024. The GCA days are high on an account of inventory days which stood at 237 days as on 31st March, 2025 (Prov.) against 221 days as on 31st March, 2024. Due to nature of business, company has to keep high level of inventory. Further, the debtor days of the company stood at 82 days as on 31st March, 2025 (Prov.) against 74 days as on 31st March, 2024. On the other hand, the creditor days of the company stood at 34 days as on 31st March, 2025 (Prov.) against 24 days as on 31st March, 2024. Further, the average fund based bank limit utilization stood at 95.53% in last six months ending March, 2025. Acuite believes that the working capital operations of the company will remain intensive in near to term due to nature of business.

Exposure to risk related to ongoing project and forex fluctuation risk

The company is undergoing a capex plan, wherein the company is expanding its showroom and stockyard. The total cost of the project is expected to be Rs.33.48 Cr. and the same will be funded through promoter's contribution, bank and unsecured loans. The showroom will provide ample space to display marble slabs thereby providing customers to have a much wider selection range. Moreover, the stockyard will facilitate bulk purchasing which leads to better pricing from suppliers and protect marble slabs from damage due to exposure to adverse weather conditions, preserving their quality and value. Overall, they will help to boost the revenue of the company in medium term. The project is expected to be commercialized in FY2027. Timely completion and successful stabilisation of operations at the new unit remain a key rating sensitivity factor. Further, the company imports around 70 percent of its raw material requirement, hence the profitability are susceptible to foreign currency fluctuation risk.

Rating Sensitivities

- Sustenance of the profitability margins while scaling up of operations.
- Working capital operations
- Timely completion of ongoing expansion plan

Liquidity Position**Adequate**

The liquidity profile of the company is adequate. The company has generated net cash accruals of Rs.24.46 crore as on 31 st March, 2025 (Prov.) against the debt repayment obligations of Rs.7.12 crore in the same period. Going forward, the company is expected to generate enough net cash accruals in the range of Rs.24.00 Cr. to Rs.33.00 Cr. against the debt repayment obligation of upto Rs.14.00 Crore in the near to medium term. The current ratio of the company stood at 1.59 times as on 31 st March, 2025 (Prov.) against 1.45 times as on 31 st March, 2024. Further, the cash and bank balance with the company stood at 0.29 Cr.as on 31 st March, 2025 (Prov.).

Outlook: Positive**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	277.46	248.00
PAT	Rs. Cr.	19.35	7.77
PAT Margin	(%)	6.98	3.13
Total Debt/Tangible Net Worth	Times	1.56	2.08
PBDIT/Interest	Times	2.80	2.29

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

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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. Acuité'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
19 Mar 2024	Derivative Exposure	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Stand By Line of Credit	Short Term	11.00	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	46.00	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	29.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	9.50	ACUITE BB+ Stable (Reaffirmed)
	Dropline Overdraft	Long Term	1.89	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.17	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.00	ACUITE BB+ Stable (Assigned)
	Covid Emergency Line.	Long Term	1.22	ACUITE BB+ Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	1.90	ACUITE BB+ Stable (Reaffirmed)
	Dropline Overdraft	Long Term	11.32	ACUITE BB+ Stable (Reaffirmed)
18 Jul 2023	Letter of Credit	Short Term	18.00	ACUITE A4+ (Assigned)
	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A4+ (Assigned)
	Term Loan	Long Term	18.47	ACUITE BB+ Stable (Assigned)
	Cash Credit	Long Term	38.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	9.50	ACUITE BB+ Stable (Assigned)
	Dropline Overdraft	Long Term	1.89	ACUITE BB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	2.14	ACUITE BB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A4+ Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.00	Simple	ACUITE BB+ Positive Assigned
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	30 Nov 2026	1.27	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Derivative Exposure	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A4+ Reaffirmed
A U Small Finance Bank	Not avl. / Not appl.	Dropline Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.28	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Dropline Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.23	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	Not Applicable Withdrawn
State Bank of India	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE A4+ Reaffirmed
A U Small Finance Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Jun 2032	7.99	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
A U Small Finance Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	22 Aug 2029	4.23	Simple	ACUITE BB+ Positive Reaffirmed Stable to Positive
A U Small Finance Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	22 Aug 2029	13.43	Simple	ACUITE BB+ Positive Assigned

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Archita Sharma Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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