



Press Release
CLASSIC MICROTECH PRIVATE LIMITED
November 14, 2024
Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.36	ACUITE C Downgraded Issuer not co-operating*	-
Bank Loan Ratings	5.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	17.36	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE C**’ (read as **ACUITE C**) from ‘**ACUITE B-**’ (read as **ACUITE B minus**) and reaffirmed the short-term rating to ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs.17.36 Crore bank facilities of Classic Microtech Private Limited (CMPL). The rating continuous flagged as “Issuer Not-Cooperating” on account of information risk.

The downgrade is based on the CRIF Highmark Report, which shows ongoing delays in the Cash Credit & GECL account latest date by August 2024.

About the Company

Classic Microtech Private Limited was incorporated in 2002 and is based at Gujarat. The company is engaged in manufacturing of Feldspar Powder & Zirconium Silicate. Currently the company is managed by Mr. Narsinhbhai Pashabhai Patel and Mr. Hasmukhbhai Mohanbhai Patel.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite 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 the due date. Acuite 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 Acuite’s policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite 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 Acuite to comment upon.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	13.76	17.05
PAT	Rs. Cr.	0.04	0.04
PAT Margin	(%)	0.30	0.23
Total Debt/Tangible Net Worth	Times	1.83	2.12
PBDIT/Interest	Times	1.49	1.58

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. 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
05 Jan 2024	Letter of Credit	Short Term	5.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	3.50	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.87	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Working Capital Term Loan	Long Term	0.66	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Covid Emergency Line.	Long Term	0.03	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	7.30	ACUITE B- (Reaffirmed & Issuer not co-operating*)
04 Oct 2023	Letter of Credit	Short Term	5.00	ACUITE A4 (Assigned)
	Cash Credit	Long Term	3.50	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	0.87	ACUITE B- Stable (Assigned)
	Working Capital Term Loan	Long Term	0.66	ACUITE B- Stable (Assigned)
	Covid Emergency Line.	Long Term	0.03	ACUITE B- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	7.30	ACUITE B- Stable (Assigned)

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Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.50	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE B-)
Indian Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.03	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE B-)
Indian Bank	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.	7.30	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE B-)
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.87	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE B-)
Indian Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.66	Simple	ACUITE C Downgraded Issuer not co-operating* (from ACUITE B-)

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Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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