Zenith Precision Private Limited

May 06, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Long Term Bank Facilities	25.69	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	**25.69 (Rs. Twenty-Five Crore and Sixty-Nine Lakhs Only)**		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 16, 2021, placed the rating(s) of Zenith Precision Private Limited (ZPPL) under the 'issuer non-cooperating' category as ZPPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. ZPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 02, 2022, January 12, 2022 and January 22, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

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

Detailed description of the key rating drivers

Please refer to PR dated February 16, 2021

Analytical approach: Standalone

Applicable Criteria

Policy in respect of Non-cooperation by issuer

Policy on default recognition

About the Company

Bangalore based Zenith Precision Private Limited (ZPPL) was incorporated in 1986 as a Private Limited Company by Mr J.F.Pinto. The company is engaged in the manufacturing of precision components and sub-assemblies which find application in variety of industries such as locomotive, automobile, medical components and aerospace industries. The company has three manufacturing units located in the suburbs of Bangalore of which 2 units manufacture aerospace components. The company has diversified revenue base with majority of sales (about 90%) being exports (to USA) and deemed exports. It procures its raw materials domestically from Karnataka. Currently, Mr. Deepak Pinto, the Managing Director of the company looks after the day to day operations.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	46.05	35.43	NA
PBILDT	7.37	4.63	NA
PAT	1.17	-2.53	NA
Overall gearing (times)	2.27	2.69	NA
Interest coverage (times)	1.99	1.03	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: ICRA vide its press release dated January 28, 2022 has continued the rating of ZPPL to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the Company.

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2025	7.29	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	August, 2022	0.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan- Proposed		-	-	-	1.96	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working capital Term Loan		-	-	March 2021	0.94	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	7.29	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE D (28-Feb-20)
2	Fund-based - LT-Term Loan	LT	0.50	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE D (28-Feb-20)
3	Fund-based - LT-Term Loan	LT	1.96	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE D (28-Feb-20)
4	Fund-based - LT-Cash Credit	LT	15.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE D (28-Feb-20)
5	Fund-based - LT-Working capital Term Loan	LT	0.94	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE D (28-Feb-20)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working capital Term Loan	Simple

Annexure 5: Bank Lender Details for this Company
To view the lender wise details of bank facilities please **click here**

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:
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