

RATING RATIONALE

16 April 2021

A&A Automobiles Pvt Ltd

Brickwork Ratings has revised the Ratings for the Bank Loan facilities of ₹ 25.00 Crores of A&A Automobiles Pvt Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facilities	Amount (₹ Crores)		Tenure	Rating#	
	Previous	Present		Previous (16 Jan, 2020)	Present
Fund Based	25.00	25.00	Long Term	BWR B+ Stable	BWR B Stable Downgrade Issuer Not Cooperating
Total	25.00	25.00	INR Twenty Five Crores Only		

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate; based on best available information

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Downgraded the long term rating at BWR B Stable (Issuer Not Cooperating) based on best available information as the issuer did not cooperate.

The rating was due for a review in January, 2021. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the Company, BWR is unable to assess the Company's financial performance. BWR has downgraded the long term rating at BWR B (Stable) (Issuer Not Cooperating).

LIMITATIONS OF THE RATING : Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

COMPANY PROFILE [As available on 16 January, 2020]

A&A Automobile Pvt. Ltd ("The Company") is incorporated in 2019 by Ms. Amanpreet Anand and Ms. Aditi Anand. The company has entered into a dealership agreement with Tata Motors for the entire range of products in the commercial vehicle segment and its spare parts. The company has developed two showrooms and workshops, one in Noida for SCV (Cargo & Passenger) and another in Surajpur (Greater Noida) for M&HCV (Trucks & Buses). Showroom

in Noida has been operational since Oct 2019 and the Surajpur showroom is expected to be operational in Jan 2020.

KEY FINANCIAL INDICATORS (in INR Cr) [As available on 16 January, 2020]

Key Parameters	Units	2020	2021
Result Type		Projected	Projected
Total Operating Income	₹ Cr	233.02	554.27
EBITDA	₹ Cr	2.34	5.86
PAT	₹ Cr	0.48	1.67
Tangible Net Worth	₹ Cr	6.48	12.46
TOL/Tangible Net Worth	Times	4.90	2.87
Current Ratio	Times	1.18	1.60

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY

NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Instrument /Facility	Current Rating (April, 2021)			Rating History		
	Type (Long Term/ Short Term)	Amount (₹ Crs)	Rating	Jan, 2020	2019	2018
Fund Based	Long Term	25.00	BWR B Stable (Downgrade) Issuer Not Cooperating	BWR B+ Stable	-	-
Total		25.00	₹ Twenty Five Crores Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

A&A Automobiles Pvt Ltd

Details of Bank Facilities rated by BWR

Sl.No.	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	CC	25.00	-	25.00
TOTAL				25.00

Total Rupees Twenty Five Crores Only.

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