

**ABS Aircon Engineer Private Limited**

**Brickwork Ratings downgrades/reaffirms the ratings for the Bank Loan Facilities of Rs. 22.40 Crs. of ABS Aircon Engineer Private Limited based on best available information, as the issuer did not cooperate.**

Instruments / Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (June, 2018)	Present
<b>Fund based</b>	<b>7.40</b>	<b>7.40</b>	<b>Long Term</b>	<b>BWR BB-</b> (Pronounced as BWR Double B minus) <b>Stable Upgraded</b>	<b>BWR B-</b> (Pronounced as BWR Single B minus) <b>Stable Downgraded</b> <b>Issuer Not Cooperating*</b>
<b>Non Fund Based</b>	<b>15.00</b>	<b>15.00</b>	<b>Short Term</b>	<b>BWR A4</b> (Pronounced as BWR A Four) <b>Reaffirmed</b>	<b>BWR A4</b> (Pronounced as BWR A FOUR) <b>Reaffirmed</b> <b>Issuer Not Cooperating*</b>
<b>Total</b>	<b>22.40</b>	<b>22.40</b>	<b>Rs Twenty Two Crores and Forty Lakhs Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://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**

In view of the non availability of the information and lack of management cooperation, Brickwork Ratings has downgraded/reaffirmed the ratings to BWR B-(Stable)/A4, Issuer Not Cooperating for the bank loan facilities amounting to Rs. 22.40 Crs. of ABS Aircon Engineer Private Limited. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its



ability to service its debt and maintain a valid rating. Also the company had defaulted in case of sending NDS.

### LIMITATIONS OF THE RATING

The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lack any projections or a forward looking component as it is arrived based on the best available information on the company without any management/banker's interaction. 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.

### KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR IN 2018]

Key Financial Indicators	Units	FY 16	FY 17
Result Type		Audited	Audited
Total Operating Income	(Rs.Crs)	47.02	57.58
EBITDA	(Rs.Crs)	1.62	2.58
PAT	(Rs.Crs)	0.63	0.97
Tangible Net Worth	(Rs.Crs)	2.83	3.79
Total Debt/Tangible Net Worth	Times	1.77	1.66
Current Ratio	Times	1.09	1.13

### COMPANY PROFILE

**Background:** ABS Aircon Engineers Pvt Ltd (ABS) was first started in 1996 under the name of 'ABS Marketing', as a partnership concern at Bangalore, Karnataka. In April 2005, it was reconstituted as a private limited company and renamed as 'ABS Aircon Engineers Pvt Ltd'. The company is engaged in the designing, installation, commissioning and maintenance of Heating Ventilation Air-Conditioning (HVAC) systems, including central air-conditioning plants, packaged/ ducted systems, variable refrigerant flow (VRF) Systems.

**Management:** Mr. Balakrishna B S, Mr. Vilayath Ali and Mr. Vinod Saladi are the promoters of the company. Mr Vinod has about 10 years of corporate experience working at San Engineering, Godrej and Voltas. Since 2001 he has been working as a whole time Director at ABS. Mr Vilayanth Ali has about 5 years of experience working at Birla. Since 1996, he has been a whole time Director at ABS. Mr Balakrishna has about 5 years of experience working at RGK Engineering. Since 1996, he has been a whole time Director at ABS.

**NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): N.A**

**RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)**

S. No	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilitates/ Commercial Paper etc.)	Current Rating (Year 2020)			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable		
		Type(Long Term/Short Term)	Amount Outstanding (Rs. Crores)	Rating	09/09/2019	07/06/2018	27/07/2017
1	Bank Loan	F.B/L.T	7.40	BWR B-(Stable) Downgraded Issuer not cooperating	Not reviewed	BWR BB-(Stable) Upgraded	Not reviewed
2		N.F.B/S.T	15.00	BWR A4 Reaffirmed Issuer not cooperating	Not reviewed	BWR A4 Reaffirmed	Not reviewed

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://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

### ABS Aircon Engineer Private Limited

#### Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	Union Bank of India	Cash Credit	7.00		7.00
2.		Term Loan	0.40		0.40
3.		Letter of Guarantee		12.00	12.00
4.		Letter of Credit		3.00	3.00
<b>TOTAL Rupees Twenty Two Crores Forty Lakhs only</b>					<b>22.40</b>

#### For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of



sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**About Brickwork Ratings:** Brickwork Ratings Private limited (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empanelled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empanelled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER:** Brickwork Ratings Private Limited (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons