

RATING RATIONALE

8 Oct 2020

Aditya Auto Engineering Pvt. Ltd.

Brickwork Ratings Revises the long term rating and reaffirms the short term rating for the Bank Loan Facilities of Rs. 24.20 Crs. of Aditya Auto Engineering Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (Rs. Crs.)		Tenure	Rating#	
	Previous	Present		Previous (May 2019)	Present
Fund based	20.95	20.95	Long Term	BWR B+ (Stable)	BWR B (Stable) Downgraded Issuer Not Cooperating*
Non Fund Based	3.25	3.25	Short Term	BWR A4	BWR A4 Reaffirmed Issuer Not Cooperating*
Total	24.20	24.20	Rupees Twenty Four Crores and Twenty Lakhs 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

Brickwork Ratings downgraded the long term rating and reaffirmed the short term rating for the bank loan facilities of Rs. 24.20 Crs. of Aditya Auto Engineering Pvt. Ltd. to BWR B/A4 (Stable) Issuer Not Cooperating, based on best available information. BWR has rated the bank loan facilities of Aditya Auto Engineering Pvt. Ltd. in May 2019 and assigned BWR B+/A4 (Stable).

BWR took up with the issuer to provide required complete information over email. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company 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. Hence on account of inadequate information and lack of management cooperation, BWR recommends placing the rating under the category of Issuer Not Cooperating.



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 forward looking component as it is arrived based on the best available information on the Company without any management/banker's interaction.

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.

KEY FINANCIAL INDICATORS (AS AVAILABLE WITH BWR)

Key Parameters	Units	FY18	FY19
Result Type		Audited	Provisional
Operating Revenue	In Rs. Crs.	68.72	69.13
EBITDA	In Rs. Crs.	3.67	3.59
Net Profit	In Rs. Crs.	0.50	0.61
Tangible Net worth	In Rs. Crs.	3.89	7.66
Total debt/TNW	Times	5.68	3.09
Current Ratio	Times	1.10	1.31

COMPANY PROFILE

Aditya Auto Engineering Pvt Ltd was incorporated in 2009. The company is involved in manufacturing of motor vehicle parts and vehicle bodies like tippers, trailers, lorries, cement carriers, granite carriers, water tankers etc for OEMs. Aditya Industries a sister concern, merged with AAEPL in FY17. The company has also started manufacturing of Tippers, Bulklers, Load Bodies , Hoppers and Trailers : New Product introduced in Garbage Compactor which will be used for Waste Management Collection in all the Municipal Corporation (PAN India). The company is having geographical reach in 4 states namely Karnataka, Kerala, Tamil Nadu and Andhra Pradesh.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

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

Sr. No.	Name of Instrument	Facilities		Current Rating		Rating History		
		Type	Tenure	Amount (Rs. Crs.)	Rating	2.05.2019	6.03.2018	2017
1.	Bank Loan Facility	Fund Based	Long Term	20.95	BWR B (Stable) Issuer Not Cooperating	BWR B+ (Stable)	BWR BB (Stable)	-
2.		Non Fund Based	Short Term	3.25	BWR A4 Issuer Not Cooperating	BWR A4	BWR A4	-
Total				24.20	Rupees Twenty Four Crores and Twenty Lakhs Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

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

Hyperlink/Reference to applicable Criteria

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ANNEXURE I

Aditya Auto Engineering Pvt. Ltd

Details of Bank 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.	Canara Bank	Cash Credit	15.00	-	15.00
2.		WCTL	5.95	-	5.95
3.		BG/LC	-	3.25	3.25
Total Rupees Twenty Four Crores and Twenty Lakhs Only					24.20

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About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. 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 (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.