



RATING RATIONALE

28 Jan 2020

Adroit Industries Limited

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹ 32.34 Cr of Adroit Industries Limited based on best available information, as the issuer did not cooperate.

Particulars

Facility**	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous	Present
Fund based	29.34	29.34	Long Term	BWR BBB (Positive)	BWR BBB- (Stable) (ISSUER NOT COOPERATING)
Non Fund Based	3.00	3.00	Short Term	BWR A2	BWR A3 (ISSUER NOT COOPERATING)
Total	32.34	32.34	INR Thirty Two Crores and Thirty Four Lakhs Only		

BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

Details of Bank facilities Annexure-I&II

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for review in July 2019 and BWR took up with the issuer vide emails dated 16 Sep 2019, 15 Jan 2020 and 20 Jan 2020, to provide required information. 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 performance, its ability to service its debt and maintain a valid rating. Due to Issuer Non cooperation, BWR has reviewed the rating based on best available information and revised the rating to BWR BBB-/A3 (ISSUER NOT COOPERATING)

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk and non-cooperation by the issuer 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's Financial Performance (As available in July 2018)

Key Parameters	Units	2017	2018
Result Type		Audited	Provisional
Operating Revenue	Rs. Crs.	45.76	50.15
EBITDA	Rs. Crs.	13.97	13.55
PAT	Rs. Crs.	7.84	6.37
Tangible Net worth	Rs. Crs.	53.97	60.71
Total Debt/Tangible Net worth	Times	0.54	0.48
Current Ratio	Times	1.27	1.41

COMPANY PROFILE (As available in July 2018)

Adroit Industries (India) Limited (Adroit) was established as a partnership firm by Mr. Mukesh Sangla and Mr. Saurabh Sangla in 1967 and was reconstituted as a company in January 1995. Adroit is engaged in manufacturing of propeller shafts, drive shaft assemblies and components which find wide applications in industries such as automotive, industrial equipment, firefighting equipment, locomotives, irrigation industry, off-highway products and marine equipment. The company is an export oriented unit where all the manufactured products other than scrap is exported to other countries.

The company has integrated manufacturing units including foundry, forging, machining, assembling and balancing division. Adroit's manufacturing facilities are located at Indore and Dewas, Madhya Pradesh, with a total installed capacity of 1,800(MTPA) metric tonnes per annum

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - Not applicable

RATING HISTORY

S.No	Instrument /Facility	Current Rating (2020)			Rating History		
		Type	Amount (₹ Crs)	Rating	15 July 2019	13 July 2018	18 May 2017
1.	Fund Based	Long Term	29.34	BWR BBB- (Stable) (ISSUER NOT COOPERATING)	Rating Not Reviewed	BWR BBB (Positive)	BWR BBB (Stable)
2	Non Fund Based	Short Term	3.00	BWR A3 (ISSUER NOT COOPERATING)		BWR A2	BWR A2
	Total		32.34	₹ INR Thirty Two Crores and Thirty Four Lakhs 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

Adroit Industries Limited

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Total [₹ Cr]
1	Axis Bank	Working Capital Limits	19.20	19.20
		Term Loans	10.14	10.14
		LC /BG	3.00	3.00
TOTAL				32.34

Rs. Thirty Two crores and thirty four lakhs only.

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