

RATING RATIONALE

18 Jan 2020

Aerospace Materials Pvt. Ltd.

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹9.26 Cr of Aerospace Materials Pvt. Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (Feb 2018)	Present
Fund based	2.76	2.76	Long Term	BWR BBB- (Stable)	BWR BB+ (Stable) Issuer not cooperating* Downgraded
Non Fund Based	6.50	6.50	Short Term	BWR A3	BWR A4+ Issuer not cooperating* Downgraded
Total	9.26	9.26	INR Nine Crores and Twenty Six 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 ratings for the bank loan facilities of ₹9.26 Crs of **Aerospace Materials Pvt. Ltd.** to BWR BB+/A4+ (Stable) Issuer Not Cooperating; based on best available information. BWR had rated the bank loan facilities of **Aerospace Materials Pvt. Ltd.** in Feb 2019 and assigned BWR BBB-/A3 (Stable).

BWR took up with the issuer to provide required complete information over emails. 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.

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

Key Parameters	Units	FY16	FY17
Result Type		Audited	Audited
Net Sales	In ₹ Crs	17.44	24.42
EBITDA	In ₹ Crs	5.09	8.08
Net Profit	In ₹ Crs	2.12	4.15
Tangible Net worth	In ₹ Crs	21.11	24.11
Total debt/TNW	Times	0.36	0.17
Current Ratio	Times	1.66	1.95

COMPANY PROFILE

Incorporated in 1988, Aerospace Materials Private Limited (AMPL), Coimbatore, is engaged in manufacturing of heat shield material for Rocket Nozzles. The company has three units located at Tamil Nadu. AMPL is a family run business, which is managed by Mr. A. M. Palanisamy, Mr. N. Ramasamy, Mr. K Palaniswamy, Mr. M. Thangaraj and Mr. S. Arul Senthil Kumar who possess over two decades of experience in the industry. The company has reputed clients like Vikram Sarabhai Space Centre, Defence Research & Development Laboratory, Resins & Allied Products, RR Industries and Larsen & Toubro Limited in its portfolio.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	2019	16.02.2018	20.03.2017
Fund Based	Long Term	2.76	BWR BB+ (Stable) Issuer Not Cooperating	Not Rated	BWR BBB- (Stable)	BWR BB+ (Stable)
Non Fund Based	Short Term	6.50	BWR A4+ Issuer Not Cooperating		BWR A3	BWR A4+
Total		9.26	INR Nine Crores and Twenty Six 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

Aerospace Materials Pvt. Ltd.

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Federal Bank	Fund Based	2.76	-	2.76
2.		Non Fund Based	-	6.50	6.50
TOTAL					9.26

Total INR Nine Crores and Twenty Six Lakhs Only

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About Brickwork Ratings :Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled 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.



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