

RATING RATIONALE

07 January 2021

Akbar Travels Of India Pvt. Ltd

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹. 263.00 Crores of Akbar Travels Of India Pvt. Ltd based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (January, 2020)	Present
Fund based	223.00	223.00	Long Term	BWR BBB-Stable	BWR BB Issuer Not Cooperating* Downgraded
Non Fund Based	40.00	40.00	Short Term	BWR A3	BWR A4 Issuer Not Cooperating* Downgraded
Total	263.00	263.00	INR Two Hundred and Sixty Three 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 Loan Facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

BWR took up with the issuer to provide required information for surveillance of rating over emails dated 10/12/2020, 21/12/2020, 31/12/2020 and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for surveillance, 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 and its ability to service its debt. Not responding to information sought for review of rating reflects management's poor corporate governance.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation 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 (in ₹ Cr) [AS AVAILABLE WITH BWR]

Standalone

Key Parameters	Units	FY18	FY19
Result Type		Aud.	Aud.
Operating Revenue	Rs. Cr	194.98	166.45
OPBITDA	Rs. Cr	91.65	56.99
PAT	Rs. Cr	23.47	18.94
Tangible Net worth	Rs. Cr	213.12	231.08
Total Debt/Tangible Net worth	Times	1.17	1.06
Current Ratio	Times	1.28	1.28

Consolidated

Key Parameters	Units	FY17	FY18
Result Type		Audited	Audited
Operating Revenue	Rs. Cr	184.47	214.99
OPBITDA	Rs. Cr	64.90	94.04
PAT	Rs. Cr	22.82	23.59
Tangible Net worth	Rs. Cr	195.63	218.97
Total Debt/Tangible Net worth	Times	1.09	1.20
Current Ratio	Times	1.28	1.25

COMPANY PROFILE (Information as available in Jan, 2020)

Akbar Travels was incorporated in 1978 as a proprietorship concern by Mr. K V Abdul Nazar. Later on, in the year 2001 it was converted into Pvt. limited company i.e. Akbar Travels of India Pvt. Ltd. (ATIPL). ATIPL is engaged in the business of International & Domestic Air Ticketing, Foreign Exchange, Hotel Bookings, Visa Servicing, Haj & Umrah Services, Travel Insurance, Car Rental Services, Cruise and Railway bookings and Holiday Packages. The company is managed by Mr. K V Abdul Nazar and his wife Mrs. Noorjahan Abdul Nazar in the capacity of directors.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawn or suspended rating)

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	07, Jan, 2020	2019	2018
Fund based	Long Term	223.00	BWR BB Issuer Not Cooperating* Downgraded	BWR BBB- Stable	-	-
Non Fund Based	Short Term	40.00	BWR A4 Issuer Not Cooperating* Downgraded	BWR A3	-	-
Total		263.00	INR Two Hundred and Sixty Three Crores Only			

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

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**
- **Rating Scale**
- **Short Term Debt**
- **Services Sector**
- **What Constitutes Non-Cooperation**

Analytical Contacts	
Bal Krishna Piparaiya Senior Director - Ratings B : +91 22 2831 1426, +91 22 2831 1439 piparaiya.bk@brickworkratings.com	Sachin Sankar Ratings Analyst D : +91 22 6745 6627 B : +91 22 2831 1426, +91 22 2831 1439 Sachin.s@brickworkratings.com
1-860-425-2742	I media@brickworkratings.com

ANNEXURE I
Akbar Travels Of India 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	Bank of Baroda	Cash Credit Overdraft Inland Guarantee	135.00 15.00	40.00	190.00
2	South Indian Bank	Term Loan	0.48		0.48
3	Federal Bank	Overdraft	4.25		4.25
4	Union Bank	Corporate Credit Card Cash Credit	50.00 (50.00)		50.00
5	Axis Bank	Cash Credit WCDL	17.50 (16.00)		17.50
6	TBD	Proposed Fund Based	0.77		0.77
TOTAL					263.00

ANNEXURE II



List of entities consolidated as of 31-March-2018

S.No.	Name of the company	Shareholding %	Consolidation %
1	Akbar Travels of India & Partners LLC (Oman)	55%	100% to the extent of shareholding
2	Akbar Travels of India Ltd (USA)	100%	
3	Akbar Travels of India Ltd (UK)	100%	
4	Akbar Travels of India Co WLL (Qatar)	49%	
5	Akbar Travels of India Pvt LLC (UAE)	49%	
6	Akbar Travels of India SDN.BHD (Malaysia)	30%	
7	Akbar Travels of India WLL (Kuwait)	49%	
8	Akbar Group International DMCC	100%	

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