



Rating Rationale

American Road Technology & Solutions

16 Aug 2019

Brickwork Ratings has revised the Rating for the Bank Loan facilities of ₹ 7.20 Crore of American Road Technology & Solutions based on best available information, as the issuer did not cooperate. Accordingly the rating for the said instrument is as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (May, 2018)	Present
Fund based Cash Credit Term Loan	2.00 3.70	2.00 3.70	Long Term	BWR BB- Pronounced as BWR Double B Minus (Outlook:Stable)	Issuer Not Cooperating; BWR B+ Pronounced as BWR Single B Plus (Outlook: Stable) (Downgraded)
Non Fund Based Bank Guarantee	1.50	1.50	Short Term	BWR A4 Pronounced as BWR A Four	Issuer Not Cooperating; BWR A4 Pronounced as BWR A Four
Total	7.20	7.20	₹ Seven Crores Twenty Lakhs Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
Issuer did not co-operate; based on best available information

Ratings: Downgraded

In view of the non availability of the information and lack of management cooperation, Brickwork Ratings has downgraded the rating to BWR B+/A4 (Outlook: Stable) Issuer Not Cooperating for the bank loan facilities amounting to Rs 7.20 Crs of American Road Technology and Solutions.

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



Nature of Non-co-operation: The rating was due for a review in May, 2019. 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.

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.

About the Company (Information as available in May, 2018)

American Road Technology and Solutions Pvt. Ltd (ARTS) was incorporated in 2012. Mr. Bhanu Prabha Krishna Hebbar is the managing director and Mr. Kiran S Murthy is the director of the Company. The registered office is situated in Infantry Road, Bangalore, Karnataka. The company is engaged in construction, maintenance, repairing, renovating all types of roads, expressways, highways etc. The Company primarily is focused on providing road maintenance services like Pothole Patching, Road Sweeping and also offers durable and innovative solutions for damaged roads.

Rating History for the last three years (including withdrawn/suspended ratings)

Facility	Current Rating (2019)			Rating History		
	Type	Amount (₹ Cr)	Rating^	2018	2017	2016
Fund Based	Long Term	5.70	Issuer Not Cooperating; BWR B+ Pronounced as BWR Single B Plus (Outlook: Stable) (Downgraded)	BWR BB- Pronounced as BWR Double B Minus (Outlook: Stable)	NA	NA
Non Fund Based	Short Term	1.50	Issuer Not Cooperating; BWR A4 Pronounced as BWR A Four	BWR A4 Pronounced as BWR A Four	NA	NA
Total		7.20	₹ Seven Crores Twenty Lakhs Only			

^Issuer did not co-operate; based on best available information

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain hyperlinks from website

American Road Technology & Solutions

Annexure I

Particulars	Units	2017	2016
Net Sales/Revenues	₹ Cr	4.60	6.15
EBIDTA	₹ Cr	2.11	2.50
PAT	₹ Cr	0.20	0.35
Tangible Networth	₹ Cr	2.67	2.47
Total Debt : TNW	Times	2.90	3.17
Current Ratio	Times	1.07	0.88

Note: As per the information available with BWR

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.



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

DISCLAIMER

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