



Rating Rationale

American Road Technology & Solutions

16 Mar 2020

Brickwork Ratings has reviewed 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 (Aug, 2019)	Present
Fund based	5.70	5.70	Long Term	Issuer Not Cooperating; BWR B+/ Stable	Issuer Not Cooperating; BWR D (Downgraded)
Non Fund Based	1.50	1.50	Short Term	Issuer Not Cooperating; BWR A4	Issuer Not Cooperating; BWR D (Downgraded)
Total	7.20	7.20	INR Seven 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 are provided in Annexure - 1.

RATING ACTION

Brickwork Ratings has downgraded the ratings to BWR D (Issuer did not Cooperate) for the bank loan facilities of ₹ 7.20 Crores of **American Road Technology & Solutions**.

OUTLOOK / NATURE OF NON-COOPERATION

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. The company was initially assigned a rating of BWR BB-/A4 "Stable" in May, 2018 and moved to Rating Not Reviewed in Aug, 2019. And further revised to BWR B+/A4 "Stable" in Aug, 2019. 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 company, BWR is unable to assess the company's financial performance



and its ability to service its debt and maintain a valid rating. The industry that the company operates in has strong demand, influencing the company's Stable Outlook.

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 (2020)			Rating History		
	Type	Amount (₹ Cr)	Rating^	16.08.2019	04.05.2018	2017
Fund Based	Long Term	5.70	Issuer Not Cooperating; BWR D (Downgraded)	Issuer Not Cooperating; BWR B+/ Stable	BWR BB-/ Stable	Not Rated
Non Fund Based	Short Term	1.50	Issuer Not Cooperating; BWR D (Downgraded)	Issuer Not Cooperating; BWR A4	BWR A4	Not Rated
Total		7.20	INR Seven Crores and Twenty Lakhs only			

^Issuer did not cooperate; based on best available information

Note : The rating moved to Rating Not Reviewed category on 05.08.2019

Status of non-cooperation with previous CRA (if applicable)- 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 Network	₹ Cr	2.67	2.47
Total Debt : TNW	Times	2.90	3.17
Current Ratio	Times	1.07	0.88

Note: As per information available with BWR

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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	Canara Bank, Cantonment Branch, Bangalore	Cash Credit	2.00	-	2.00
2		Term Loans	3.70	-	3.70
3		Bank Guarantee	-	1.50	1.50
TOTAL					8.35

Rupees Seven Crores and Twenty Lakhs only.