



Press Release
AVLIGHT AUTOMOTIVES PRIVATE LIMITED
November 28, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	40.00	ACUITE BBB- Stable Upgraded	-
Total Outstanding Quantum (Rs. Cr)	40.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded the long-term rating to '**ACUITE BBB-**' (read as **ACUITE triple B minus**) from '**ACUITE BB+**' (read as **ACUITE double B Plus**) on the Rs. 40.00 Cr. bank facilities of Avlight Automotives Private Limited (AAPL). The outlook is '**Stable**'.

The Company has provided information, leading to transition from Issuer Not Co-operating (INC since Oct'2025) to a regular issuer.

Rationale for upgrade:

The rating upgrade factors in Avlight Group's (AG) established track record in the automotive components industry, supported by over four decades of promoter experience and improvement in operating performance during FY25. The group's financial risk profile remains moderate, characterized by conservative leverage and stable debt protection metrics, alongside marginal improvement in working capital management and adequate liquidity. However, the rating continues to be constrained by heightened competitive intensity within the two- wheeler sector, which exerts pressure on margins and market share.

About the Company

Avlight Automotives Private Limited. (AAPL), incorporated in 1996, is engaged in manufacture of Plastic Moulded Components, Moulds and automotive lighting equipments having its plants in Manesar(Haryana) and Chennai (Tamil Nadu). Directors of the company are Mr. Anil Anand, Mr. Rajan Sharma, Mrs. Renu Sharma, and Mr. Akshat Anand.

About the Group

Avlight Automotives Private Limited (AAPL), incorporated in 1996, is engaged in manufacture of Plastic Moulded Components, Moulds and automotive lighting equipments having its plants in Manesar(Haryana) and Chennai (Tamil Nadu), Avlight Auto Components Private Limited, is engaged in manufacture of Motorcycle wheel assemblies since 2013, with its plant in NOIDA (U.P.) and Avlight Altrustooling Private Limited with its plant in Manesar (Haryana) is engaged in manufacture of Moulds for automotive sector since 2020.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated view of business and financial risk profiles of Avlight Automotives Private Limited (AAPL), Avlight Altrustooling Private Limited (AATPL), and Avlight Auto Components Private Limited (AACPL) to arrive at this rating. The consolidation is in view of a common line of business, common management, and significant business and financial linkages between the entities. Furthermore, AACPL has extended corporate guarantee for the loans of AAPL. The group is henceforth referred to as Avlight Group (AG).

Key Rating Drivers

Strengths

Established track record of operations supported by improvement in the business risk profile :

AG, incorporated in 1996 by Mr. Anil Anand and Mr. Rajan Sharma, has an established presence in the automotive components industry backed by over four decades of promoter experience. AG is the sole supplier of complete motorcycle wheel assemblies and footrest brake assemblies for Yamaha's Surajpur plant. Furthermore, AG is expanding their business domestically as well as internationally also. Apart from Yamaha India, AG's clientele includes leading OEMs such as Motherson Sumi, Royal Enfield, Maruti Suzuki, and Honda India, along with recent diversification into emerging sectors like EVs, robotics, and LED lighting systems for automotive applications. Acuite believes AG's long-standing track record and experienced management will continue to support its business growth and diversification.

Moderate Financial Risk profile:

AG's financial risk profile is marked by Moderate net worth and comfortable debt protection metrics. AG's net worth stood at Rs. 43.42 Cr. as on 31st March 2025 as against Rs.40.01 Cr. as on 31st March 2024. Group follows conservative leverage policy. Gearing levels (debt-to-equity) improved and stood at 0.49 times as on March 31, 2025 as against 0.64 times in FY 2024. Total debt of Rs.21.18 crore comprise of long-term debt of Rs.4.12 crore, short term debt of Rs.14.10 crore, CPLTD of Rs.2.90 crore and USL of Rs.0.06 crore. Debt Protection metrics stood stable with ICR and DSCR stood at 6.92 times and 2.08 times in FY 2025 as compared to 4.81 times and 1.39 times in FY 2024. TOL/TNW and Debt/EBITDA stood at 2.40 times and 1.56 times in FY 2025. Acuite expects, AG's financial risk profile will remain moderate over the medium term in absence of any debt funded capex plan.

Moderate Working Capital Management with marginal improvement

AG's working capital management reflecting marginal improvement in GCA days stood at 62 days in FY 25 as compared 71 days in FY 24. Debtor days stood at 42 days in FY 2025 as against 43 days in FY 2024. Average credit period given to customer are 60 days. Around 93% debtors stood at <30 days bracket. Inventory days stood at 15 days in in FY 25 as against 16 days in FY 24. Creditor days also improved to 54 days in FY 25 from 65 days in FY 24. Acuite believes, working capital management of AG group may improve by constant monitoring collection receivables.

Weaknesses

Improvement in Operating performance with decline in Profitability:

AG Group's operating income improved to Rs.468.28 crore in FY25 from Rs.447.62 crore in FY24, supported by higher demand in the automobile sector, with revenue of Rs.234.47 crore recorded in HYFY26. However, despite topline growth, operating margins declined to 2.84% in FY25 from 3.03% in FY24 due to increased raw material and employee costs, while PAT margin also moderated to 0.77% from 1.07% in the previous year. Under the group structure, AACPL operates under a fixed-margin arrangement with Yamaha India, limiting flexibility and making profitability sensitive to input cost fluctuations, whereas AAPL's activity-based pricing model offers better cost recovery and higher margins, especially in exports. Acuite believes that while the group's established relationships and diversified client base provide revenue stability, margin pressures remain a key monitorable.

Highly fragmented and competitive nature of industries

The rating continues to reflect the highly competitive and fragmented nature of the automotive components industry. Acuité believes that sustained improvement in AG's profitability margins over the medium term shall be instrumental in improving the group's business risk profile.

Rating Sensitivities

1. Movement in profitability
2. Working capital management

Liquidity Position

Adequate

The group has adequate liquidity marked by net cash accruals to its maturing debt obligations. The group generated net cash accruals of Rs.9.70 crore as against debt obligations of Rs. 4.64 crore for the same period. The current ratio stood at 0.90 times as of 31 March 2025. Cash and bank balances of the group stood at Rs.0.43 crore as of FY 2025 as against Rs.9.15 crore in FY 24. Cash and bank balance of FY 24 increased mainly due to short-term FD. The group has an average fund-based limit that stood at 82% based on the utilization as of the last day of the month for the last six months ending Oct'25, indicating higher reliance on external borrowing. Acuite believes that the liquidity of the group will remain adequate over the medium term marked by steady net cash accruals and absence of any debt funded capex plan.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	468.28	447.62
PAT	Rs. Cr.	3.63	4.79
PAT Margin	(%)	0.77	1.07
Total Debt/Tangible Net Worth	Times	0.49	0.64
PBDIT/Interest	Times	6.92	4.81

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Oct 2025	Working Capital Term Loan	Long Term	1.38	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	PC/PCFC	Long Term	18.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	0.28	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Long Term Bank Facility	Long Term	15.61	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	0.49	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	0.07	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	4.17	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
30 Jul 2024	Working Capital Term Loan	Long Term	1.38	ACUITE BBB- Stable (Reaffirmed)
	PC/PCFC	Long Term	18.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.28	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	15.61	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.49	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.07	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	4.17	ACUITE BBB- Stable (Reaffirmed)
04 May 2023	Working Capital Term Loan	Long Term	1.67	ACUITE BBB- Stable (Reaffirmed)
	PC/PCFC	Long Term	18.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	3.73	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	6.50	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	2.73	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.13	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	7.24	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.34	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.51	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.43	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.33	ACUITE BBB- Stable (Reaffirmed)
		Long		

03 Feb 2022	Term Loan	Term	0.94	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.79	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	2.78	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	4.17	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	17.20	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.35	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.16	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	0.07	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	1.00	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	0.07	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	0.01	ACUITE BBB- (Reaffirmed & Withdrawn)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI BANK LIMITED	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	18.00	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.15	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
TATA Capital Financial Service Ltd.	Not avl. / Not appl.	Term Loan	21 Sep 2021	Not avl. / Not appl.	15 Sep 2025	0.01	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
TATA Capital Financial Service Ltd.	Not avl. / Not appl.	Term Loan	21 Sep 2021	Not avl. / Not appl.	15 Sep 2025	0.01	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
TATA Capital Financial Service Ltd.	Not avl. / Not appl.	Term Loan	26 Sep 2022	Not avl. / Not appl.	05 Jun 2028	4.17	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
ICICI BANK LIMITED	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Feb 2030	0.28	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)
ICICI BANK LIMITED	Not avl. / Not appl.	Working Capital Term Loan	29 Jan 2020	Not avl. / Not appl.	31 Dec 2025	1.38	Simple	ACUITE BBB- Stable Upgraded (from ACUITE BB+)

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Avlight Automotives Private Limited
2	Avlight Auto Components Private Limited

Contacts

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