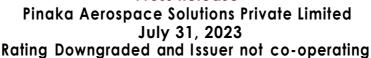


Press Release





Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	18.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	25.00	-	-

Rating Rationale

Acuité has downgraded its long term rating to 'ACUITE BB+' (read as ACUITE double B plus) from ACUITE BBB+ (Read as ACUITE Triple B Plus) and the short term rating to ACUITE A4+ '(read as ACUITE A four plus) from ACUITE A2 (Read as ACUITE A two) on the Rs 25.00 crore bank facilities of Pinaka Aerospace Solutions Private Limited. This rating is now an indicative rating and is based on best available information. The downgrade is on account of information risk.

About the Company

Pinaka Aerospace Solutions Pvt. Ltd (PAS), established in the year 2007 and based out of Bangalore, is an Integrated Systems and Solutions Provider in the field of avionics and Aerospace technologies such as Electronic Warfare, Radar, communication Systems, Simulators and Automatic Test Equipment. It is promoted by Mrs. Radhika Pasumarthi (Managing Director) and Mr. Subodh Sharma (CEO). It majorly supplies to Indian Armed Forces (Army, Air force, Navy), Defence Research and Development Organisation (DRDO) laboratories, PSUs like Bharat Electronics Ltd (BEL), Hindustan Aeronautical Ltd (HAL) amongst others.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/ industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit ratingis based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	17.27	53.55
PAT	Rs. Cr.	1.03	7.34
PAT Margin	(%)	5.96	13.71
Total Debt/Tangible Net Worth	Times	0.17	0.43
PBDIT/Interest	Times	2.16	11.65

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
- Service Sector: https://www.acuite.in/view-rating-criteria-50.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	
16 May	Cash Credit	Long Term	7.00	ACUITE BBB+ Stable (Reaffirmed)	
2022	Bank Guarantee	Short Term	18.00	ACUITE A2 (Reaffirmed)	
16 Feb 2021	Proposed Bank Guarantee	Short Term	5.00	ACUITE A2 (Reaffirmed)	
	Bank Guarantee	Short Term	12.50	ACUITE A2 (Reaffirmed)	
	Cash Credit	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)	
	Proposed Cash Credit	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)	
	Working Capital Demand Loan	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)	

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	18.00	ACUITE A4+ Downgraded Issuer not
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE BB+ Downgraded Issuer not CO- operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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