

Press Release

Autocop India Private Limited

November 01, 2018

Rating Update



| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 53.00 Cr.# |
| Long Term Rating | ACUITE BBB- Issuer not co-operating* |
| Short Term Rating | ACUITE A3+ Issuer not co-operating* |

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs. 53.00 crore bank facilities of Autocop India Private Limited (AIPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuite 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

AIPL, incorporated in 1991, is a Mumbai-based company promoted by Mr. Umesh Deshpande, Mr. Suhas Doshi and Mrs. Rashmi Umesh Deshpande. The company deals in car infotainment products and home security equipments. AIPL has sole selling rights of Pioneer Car Audio System since 2005 and exclusive distribution rights for accessories of General Motors Ltd for India. The company has also been dealing in Panasonic car batteries and Renault car accessories from May 2013 and 2016 respectively. AIPL manufactures car security equipments, including central locking systems, power windows, reverse warning systems, gear locks and vehicle tracking systems. The company has two manufacturing facilities, one at Baddi, Himachal Pradesh and the other at Nashik, Maharashtra. The combined production capacity stands at 18,00,000 lakh units per annum.

For FY2015-16, AIPL reported Profit after Tax (PAT) of Rs.3.12 crore on total operating income of Rs.362.40 crore compared with PAT of Rs 3.57 crore on total operating income of Rs.401.84 crore in FY2014-15. The tangible net worth stood at Rs.46.02 crore as on 31 March, 2016 as against Rs.42.93 crore in the previous year. As per provisional financials for FY2016-17, AIPL reported PAT of Rs. 3.16 crore on total operating income of Rs.260.90 crore.

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

None

Any other information

None

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|-------------|---|------------|-----------------|----------------------------------|
| 23-Sept-17 | Cash Credit | Long Term | 52.00^ | ACUITE BBB- /Stable (Reaffirmed) |
| | Term Loan | Long Term | 1.00 | ACUITE BBB- /Stable (Reaffirmed) |
| | Buyers Credit** | Short Term | 1.00 | ACUITE A3+ (Reaffirmed) |
| | Bank Guarantee** | Short Term | 0.50 | ACUITE A3+ (Reaffirmed) |
| | Letter of Credit** | Short Term | 5.00 | ACUITE A3+ (Reaffirmed) |
| 15-April-16 | Cash Credit | Long Term | 52.00^ | ACUITE BBB- /Stable (Reaffirmed) |
| | Term Loan | Long Term | 1.00 | ACUITE BBB- /Stable (Reaffirmed) |
| | Buyers Credit** | Short Term | 1.00 | ACUITE A3+ (Reaffirmed) |
| | Loan Equivalent Risk on Forward Contracts** | Short Term | 1.25 | ACUITE A3+ (Reaffirmed) |
| | Bank Guarantee** | Short Term | 0.50 | ACUITE A3+ (Reaffirmed) |
| | Letter of Credit** | Short Term | 5.00 | ACUITE A3+ (Reaffirmed) |
| 17-March-16 | Cash Credit | Long Term | 47.00^ | ACUITE BBB- /Stable (Downgraded) |
| | Term Loan | Long Term | 1.23 | (Downgraded) |
| | Buyers Credit** | Short Term | 1.00 | ACUITE A3+ (Reaffirmed) |

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|--|---|------------|------|-------------------------|
| | Loan Equivalent Risk on Forward Contracts** | Short Term | 1.25 | ACUITE A3+ (Reaffirmed) |
| | Bank Guarantee** | Short Term | 0.50 | ACUITE A3+ (Reaffirmed) |
| | Letter of Credit** | Short Term | 5.00 | ACUITE A3+ (Reaffirmed) |

^Includes sublimit of working capital demand loan to the extent of Rs.8.00 crore, clean invoice discounting of Rs. 6.00 crore and letter of credit of Rs. 6.00 crore.

**Sublimit of cash credit facility, which also includes a bill discounting facility of Rs.2.00 crore

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|------------------------|------------------|----------------|----------------|-------------------------------|--------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 52.00^ | ACUITE BBB- Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE BBB- Issuer not co-operating* |
| Buyers Credit** | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A3+ Issuer not co-operating* |
| Bank Guarantee** | Not Applicable | Not Applicable | Not Applicable | 0.50 | ACUITE A3+ Issuer not co-operating* |
| Letter of Credit** | Not Applicable | Not Applicable | Not Applicable | 5.00 | ACUITE A3+ Issuer not co-operating* |

*The issuer did not co-operate; based on best available information.

^Includes sublimit of working capital demand loan to the extent of Rs.8.00 crore, clean invoice discounting of Rs. 6.00 crore and letter of credit of Rs. 6.00 crore.

**Sublimit of cash credit facility, which also includes a bill discounting facility of Rs.2.00 crore

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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