

Ligare Aviation Limited

January 04, 2023

Ratings

Facilities/ Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	235.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	240.00 (₹ Two Hundred Forty Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 07, 2021, placed the ratings of Ligare Aviation Limited (LAL) under the 'issuer non-cooperating' category as LAL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. LAL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and emails dated August 23, 2022, September 2, 2022, September 12, 2022, November 25, 2022 and November 29, 2022. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

At the time of last rating on October 07, 2021, the following were the rating weaknesses:

Key Rating Weaknesses

Delays in debt servicing: There has been delays in the servicing of the debt obligations by LAL as per public available information.

Liquidity: Poor

LAL has poor liquidity position since, there has been delays in the servicing of the debt obligations by the company as per public available information.

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Short Term Instruments](#)

[Service Sector Companies](#)

About the Company

Ligare Aviation Limited (LAL) incorporated in September, 1996 is subsidiary of Ligare Voyages Ltd (LVL; erstwhile Religare Voyages Ltd) which holds 99.99% stake in LAL as on March 31, 2016. RHC Holding Private Limited is the ultimate holding company of LAL as RHC holds 95% stake in LVL as on March 31, 2016. LAL is engaged in non-scheduled air charter business with fleet of 11 aircrafts (out of which four were owned and balance seven were leased) including jets, turbo props and helicopters with a flying range within the Asian continent and the Middle East.

RHC (formerly known as, Solaris Finance Private Limited), incorporated in April 2007, is a Non-Banking Financial Company (NBFC) managed and controlled by the family members of Mr Malvinder Singh and Mr Shivinder Singh.

¹Complete definitions of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications.

*Issuer did not cooperate; Based on best available information

Brief Financials (₹ crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (A)	9MFY23*
Total operating income	8.96	NA	NA	NA
PBILDT	-6.02	NA	NA	NA
PAT	-24.38	NA	NA	NA
Overall gearing (times)	-1.53	NA	NA	NA
Interest coverage (times)	-0.50	NA	NA	NA

A: Audited; NA: Not Available

*refers to the period from April 1, 2022 to December 31, 2022.

Status of non-cooperation with previous CRA: Acuite (SMERA) Ratings has conducted the review and has maintained Ligare Aviation Limited as "Not Cooperating" vide its press release dated May 11, 2022.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	June, 2017	100.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March, 2018	35.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	November, 2023	83.33	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	December, 2017	16.67	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Demand loan		-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument /Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	100.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (16-Jul-19)
2	Fund-based - LT-Term Loan	LT	35.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (16-Jul-19)
3	Fund-based - LT-Term Loan	LT	83.33	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (16-Jul-19)
4	Fund-based - LT-Term Loan	LT	16.67	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (16-Jul-19)
5	Fund-based - ST-Working Capital Demand loan	ST	5.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (16-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (16-Jul-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-Working Capital Demand loan	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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