

Agromach Spares Corporation

November 22, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	20.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and LT rating downgraded from CARE BB; Stable and ST rating reaffirmed

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE has been seeking information from Agromach Spares Corporation (ASC) to monitor the rating(s) vide e-mail communications dated October 25, 2024, October 15, 2024, and October 05, 2024, and through various phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant of SEBI guidelines, CARE has reviewed and revised the ratings on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings of ASC bank facilities will continue to be denoted as CARE BB-; Stable; Issuer Not Cooperating/ CARE A4, Issuer Not Cooperating*.

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

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

Please refer to Press Release dated [February 24, 2022](#).

Applicable criteria

[Definition of Default](#)

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

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Automobile and Auto Components	Auto Components	Trading - Auto Components

Established in 1973 as a partnership firm by Mr. Bharat Shah with his son Mr. Pratik Shah, ASC is engaged in trading of various railway spare parts and engine spare parts viz. railway track parts, gear boxes, diesel engine parts, other engine parts, hydraulic products, valves, piston rings, turbo charger, fuel injection equipment, etc. which majorly find application in the railway diesel engines, whereas a few of them viz. cranes, generators and heavy earth moving equipment find application in the construction industry, real estate, construction and factory sites at various large corporates. The said products are majorly sold to the Indian Railways (comprising ~90% of the annual revenues), whereas the same are also exported to various countries viz. UK, Germany,

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Malaysia, Turkey, Singapore, USA, etc. On the other hand, the said products are procured from the reputed local manufacturers of the same, whereas the said products are also imported from Japan, Germany, USA, Italy, etc. Moreover, the firm has achieved various recognition awards for various years from its Original Equipment Manufacturers (OEMs) viz. Cummins Technologies India Private Limited, Honeywell Turbo Technologies India Private Limited, etc. for the products sold by them.

Brief Financials (₹ crore)	March 31, 2018 (A)	March 31, 2019 (A)	March 31, 2020 (A)
Total operating income	131.59	214.28	238.40
PBILDT	13.06	25.40	28.04
PAT	12.66	24.57	27.74
Overall gearing (times)	0.01	0.01	0.00
Interest coverage (times)	47.89	35.62	152.94

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

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 and Rating Outlook
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	20.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	20.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (20-Nov-23)	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (25-Aug-22)	1)CARE BBB+; Stable / CARE A2; ISSUER NOT COOPERATING* (24-Feb-22)

*Issuer did not cooperate; based on best available information.

LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

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

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Krunal Pankajkumar Modi Director CARE Ratings Limited Phone: 079-40265614 E-mail: krunal.modi@careedge.in</p> <p>Raunak Modi Assistant Director CARE Ratings Limited Phone: 91 22 67543537 E-mail: Raunak.modi@careedge.in</p> <p>Rakshata Khatawkar Analyst CARE Ratings Limited E-mail: Rakshata.K@careedge.in</p>
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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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