

A-I Enterprises Private Limited

November 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.05	CARE B-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	18.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE B; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	37.00	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from A-I Enterprises Private Limited to monitor the rating vide e-mail communications dated October 10, 2025, October 13, 2025, and October 30, 2025, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings.

In line with the extant SEBI guidelines, CARE Ratings Ltd. (CareEdge Ratings) 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. The rating on A-I Enterprises Private Limited' bank facilities will now be denoted as **CARE B-; 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).

Ratings have been revised on account of non-availability of requisite information due to non-cooperation by A-I Enterprises Private Limited with CARE's efforts to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

The rating assigned to the bank facilities of A-I Enterprises Private Limited (AIEPL) continues to be constrained by the geographical concentration of sales, moderation in scale of operations and leveraged capital structure. However, the rating continues to derive strength from the experience of the promoters in the garment manufacturing industry.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on September 10, 2024, the following were the rating strengths and weaknesses.

Key weaknesses

Geographical concentration of sales and presence in competitive industry

AIEPL has been in the business of readymade garments (RMG) manufacturing and dealership of Maruti Suzuki vehicles. In FY24, the RMG business contributed 14% of the overall TOI, while the dealership business accounted for 86%.

In April 2024, AIEPL transferred its dealership business to a group company, AIE Cars Pvt Ltd through a slump sale agreement with a view to streamline the management. AIEPL currently handles only the textile business which manufactures and exports readymade garments (RMG) to countries like Germany, South Africa and the US among others. The revenue concentration of the textile business is high with the top five customers contributing 49% of the sales with South Africa contributing to 40% of export business followed by UK (25%), France (20%). Furthermore, the RMG business is highly fragmented with large number of organised and unorganised players, and the industry faces severe competition due to low entry barriers.

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

Moderation in scale of operations

Following the business transfer in April 2024, AIEPL is now focused solely in RMG segment. In FY24, the RMG division has witnessed moderation in the scale, with TOI dropping from ₹ 81.67 Cr in FY23 to ₹ 34.18 Cr in FY24 due to the recessionary pressure in key export markets and deferment of few orders in the last quarter. However, sales have rebounded in Q1FY25, with TOI reaching ₹ 30 Cr

Decline in profitability owing to high employee costs

While the dealership division nearly sustained the operating margin, with the drop in scale of operation and lower absorption of overheads, the operating loss of the textile division widened in FY24. The textile division is labor intensive and employs approximately 1,300 skilled workers. Despite a slowdown in textile orders during FY24, the company retained its employees and production lines, expecting a recovery in foreign markets. Furthermore, to offset the drop in export orders, the company undertook domestic orders carrying lower margin, which also weakened the profitability of the textile business in FY24.

Key strengths

Long track record of operations

AIEPL was established in 2004 by Mr. Abdul Azeez and Mr. Haji Iqbal. The company has a vintage of more than 2 decades in the RMG industry. The company has an established customer base with companies like Woolworth (South Africa), Weird Fish (UK) and TDM Creation (France) among others in the international market and MAX, Rare Rabbit etc. in the domestic market. The company has 3 manufacturing units in Ambattur, Kattupakkam, and Oothukuli with an installed production capacity of 25 lakh pcs/ year.

Experienced promoters and demonstrated support over the years

Mr. Abdul Azeez has over 40 years of experience in the textile industry. His daughter, Ms. Hajra Azeez, who holds an MBA, manages the company's textile business. The promoter family has been involved in the textile industry prior to the establishment of AIEPL, and now the third generation is actively managing the company's daily operations. The promoters are resourceful, owning a substantial land bank and several buildings in Chennai that generate rental income for the group. This rental income has been a significant source of promoter infusions through unsecured loans over the years.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Auto Dealer](#)

[Cotton Textile](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Automobile and Auto Components	Automobiles	Auto Dealer

AIEPL was established in 2004 by Mr. Abdul Azeez, Mr. H E Haji Iqbal and Sameena Azeez. The company manufactures men and women casual wears for export to countries like Germany, USA, South Africa among others. In 2012, the company ventured into automobile dealership business of Maruti Suzuki India Limited (MSIL) with 8 showrooms in and around Chennai. However, in April 2024, the company entered into a slump sale agreement to transfer its car dealership business to AIE Cars Pvt Ltd and now focuses exclusively on garment manufacturing. It presently operates three manufacturing units in Ambattur, Kattupakkam, and Oothukuli in Tamil Nadu with a total installed capacity of 25 lakh pieces per year.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	251.89	250.12
PBILDT	-2.37	-8.21
PAT	4.02	-10.97
Overall gearing (times)	5.93	6.36
Interest coverage (times)	-0.37	-1.33

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

Status of non-cooperation with previous CRA:

A-I Enterprises Private Limited has not co-operated with CRISIL Ratings wherein it has classified the issuer as 'Non-Cooperative' vide its press release dated June 24, 2025. The reason provided by CRISIL Ratings was non furnishing of information towards monitoring the ratings.

A-I Enterprises Private Limited has not co-operated with Brickwork Ratings wherein it has classified the issuer as 'Non-Cooperative' vide its press release dated April 04, 2025. The reason provided by CRISIL Ratings was non furnishing of information towards monitoring the ratings.

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
Fund-based - LT-Term Loan		-	-	April 2026	12.05	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Post Shipment Credit		-	-	-	18.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Packing Credit in Foreign Currency		-	-	-	35.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	2.00	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 2025-2026	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
1	Fund-based - ST-Packing Credit in Foreign Currency	ST	35.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4 (10-Sep-24)	1)CARE A4; ISSUER NOT COOPERATING * (25-Oct-23)	1)CARE A4 (11-Nov-22)
2	Fund-based - LT/ST-Post Shipment Credit	LT/ST	18.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE B; Stable / CARE A4 (10-Sep-24)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING * (25-Oct-23)	1)CARE BB-; Stable / CARE A4 (11-Nov-22)
3	Fund-based - LT-Term Loan	LT	12.05	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B; Stable (10-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (25-Oct-23)	1)CARE BB-; Stable (11-Nov-22)
4	Non-fund-based - ST-Bank Guarantee	ST	2.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4 (10-Sep-24)	1)CARE A4; ISSUER NOT COOPERATING * (25-Oct-23)	1)CARE A4 (11-Nov-22)

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

LT: Long term; ST: Short term; 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	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Post Shipment Credit	Simple
3	Fund-based - ST-Packing Credit in Foreign Currency	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge 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

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