

Autoline Industries Limited

April 1, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Remarks
Long-term Bank Facilities	124.91	CARE D (Single D)	Reaffirmed
Short-term Bank Facilities	20.00	CARE D (Single D)	Reaffirmed
Total Facilities	144.91 (Rs. One Hundred Forty Four crore and Ninety one lakh only)		

Details of instruments/facilities in Annexure-1
Detailed Rationale

The reaffirmation of ratings to the bank facilities of Autoline Industries Limited (AIL), continues to factor in the on-going delays in debt servicing by AIL due to its stressed liquidity position.

Timely repayment of debt going forward is the key rating sensitivity.

Detailed description of the key rating drivers
Key Rating Weakness
Ongoing delays in debt servicing

There are on-going delays in debt servicing of bank facilities due to AIL's stressed liquidity position.

Analytical Approach followed: Standalone

Applicable Criteria

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology-Manufacturing Companies](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology-Auto Ancillary Companies](#)

About the Company

Incorporated in December 1996, AIL is engaged in manufacturing of auto components especially sheet metal components, sub-assemblies and assemblies. AIL is an integrated auto ancillary company that designs, engineers, develops and manufactures auto components and assemblies. The capacities have been acquired through organic and inorganic growth. AIL's products (more than 1,000 varieties) are used in Commercial Vehicles (CV), Passenger Cars (PC), Sports Utility Vehicles (SUV), two wheelers, tractors by Original Equipment Manufacturers (OEMs) like Tata Motors Ltd (TML), Mahindra & Mahindra (M&M), Bajaj Auto Ltd (BAL), Force Motors (FM), General Motors (GM), Volkswagen (VW), etc. in the automobile industry

Brief Financials (Rs. crore) (Standalone)	FY17 (A)	9MFY18 (UA)	FY18 (A)	9MFY19 (UA)
Total operating income	363.12	267.67	385.49	337.36
PBILDT	6.53	-6.27	-5.33	-15.37
PAT	-70.87	-49.24	-51.33	-40.22
Overall gearing (times)	4.17	NA	5.60	NA
Interest coverage (times)	0.20	NA	NM	NA

A: Audited; UA: Unaudited; NM: Not Meaningful; NA: Not available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	November 30,2021	99.46	CARE D
Fund-based - LT-Cash Credit	-	-	-	25.45	CARE D
Non-fund-based - ST-Letter of credit	-	-	-	20.00	CARE D

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Term Loan	LT	99.46	CARE D	-	1)CARE D (27-Mar-18) 2)CARE D (01-Aug-17) 3)CARE B-; Stable (02-May-17)	1)CARE B- (22-Apr-16)	-
2.	Fund-based - LT-Cash Credit	LT	25.45	CARE D	-	1)CARE D (27-Mar-18) 2)CARE D (01-Aug-17) 3)CARE B-; Stable (02-May-17)	1)CARE B- (22-Apr-16)	-
3.	Non-fund-based - ST-Letter of credit	ST	20.00	CARE D	-	1)CARE D (27-Mar-18) 2)CARE D (01-Aug-17) 3)CARE A4 (02-May-17)	1)CARE A4 (22-Apr-16)	-

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