

Taneja Aerospace and Aviation Limited

January 17, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Reaffirmed at CARE C; Stable (Single C; Outlook: Stable) and withdrawn
Short-term Bank Facilities	-	-	Reaffirmed at CARE A4 (A Four) and withdrawn
Total Facilities	-		

Details of facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has reaffirmed and simultaneously withdrawn the outstanding ratings of 'CARE C; Stable/CARE A4' [Single C; Outlook: Stable/ A Four] assigned to the bank facilities of Taneja Aerospace and Aviation Limited with immediate effect. The above action has been taken at the request of Taneja Aerospace and Aviation Limited and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated on July 22, 1988 as a private limited company, Taneja Aerospace and Aviation Limited, headquartered in Bangalore, is a Public company listed on the Bombay Stock Exchange (BSE) on January 15, 2001. The company currently operates under two business segments within the aviation space, and trading division. The business include: 1) Aircraft Manufacturing and Maintenance Division (AMM) 2) Airfield Division -The company owns an airfield, comprising an airstrip, with night landing and hangar facilities at Hosur, near Bangalore. 3) Trading in electrical goods.

The financial performance of the company shows substantial improvement in FY19 as against FY18. The TOI increased in FY19 to Rs.32.98 as against Rs.31.90 in FY18. Also, the PBILDT margin and PAT margin also improved in FY19 as in comparison to that in FY18.

Further, the financial performance in H1FY20 of the company also remained healthy with PBILDT margin at 51% and PAT margin at 25% on account of operational efficiency.

Status of non-cooperation with previous CRA: Nil

Any other information: Not applicable

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

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Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC	-	-	-	0.00	Withdrawn

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

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	1)CARE C; Stable (04-Apr-19)	1)CARE D (22-Nov-18)	1)CARE D (20-Mar-18) 2)CARE D (08-Dec-17) 3)CARE BB-; Stable (14-Apr-17)	1)CARE BB- (29-Apr-16)
2.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE C; Stable (04-Apr-19)	1)CARE D (22-Nov-18)	1)CARE D (20-Mar-18) 2)CARE D (08-Dec-17) 3)CARE BB-; Stable (14-Apr-17)	1)CARE BB- (29-Apr-16)
3.	Non-fund-based - ST-BG/LC	ST	-	-	1)CARE A4 (04-Apr-19)	1)CARE D (22-Nov-18)	1)CARE D (20-Mar-18) 2)CARE D (08-Dec-17) 3)CARE A4 (14-Apr-17)	1)CARE A4 (29-Apr-16)

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 /regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

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