



Press Release

Autolite (India) Limited

June 24, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action
Long Term Bank Facilities – Term Loan	2.00	IVR BB/Stable Outlook ISSUER NOT COOPERATING* (IVR Double B with Stable outlook; Issuer Not Cooperating)	IVR BB+ / Stable Outlook (IVR Double B plus with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING category
Long Term Bank Facilities – Cash Credit	7.00	IVR BB/Stable Outlook ISSUER NOT COOPERATING* (IVR Double B with Stable outlook; Issuer Not Cooperating)	IVR BB+ / Stable Outlook (IVR Double B plus with Stable Outlook)	Downgraded and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities – Packing Credit	6.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	IVR A4+ (IVR A Four plus)	Downgraded and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities – Foreign Bill Discounting	2.50	IVR A4 ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	IVR A4+ (IVR A Four plus)	Downgraded and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities – Letter of Credit	2.50	IVR A4 ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	IVR A4+ (IVR A Four plus)	Downgraded and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities – Bank Guarantee	1.00	IVR A4 ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	IVR A4+ (IVR A Four plus)	Downgraded and moved to ISSUER NOT COOPERATING category
Total	21.00			

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Autolite (India) Limited (AIL)'s performance and hence the uncertainty around its credit risk. Infomerics



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assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated April 06, 2020, April 24, 2020, May 11, 2020 and June 11, 2020 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term ratings for the bank loan facilities aggregating to Rs.9.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB/Stable: Issuer Not Co-operating; Based on best available information. (IVR Double B /Stable: Issuer Not Co-operating; Based on best available information) and short-term ratings for the bank facilities aggregating to Rs.12.00 crore of Autolite (India) Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR A4: Issuer Not Co-operating; Based on best available information. (IVR A Four: Issuer Not Co-operating; Based on best available information).

Analytical Approach & Applicable Criteria

Standalone

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

AIL was initially established as a proprietorship concern by Mr. Mahi Pal Gupta in 1970 and was subsequently converted into a private limited company in 1977 and finally into a public limited company on March 31, 1982. The company got listed in BSE and NSE on November



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2000. Jaipur based AIL is the flagship company of Autopal MPG Group. The company is engaged in the manufacturing of Automotive Head Lamps, Work Lamps, LED Lamps, Fog lamps, Turn Signal Lamps, Halogen Bulbs, Incandescent Bulbs, Miniature Bulbs and Wiring Harness in its two manufacturing units in Jaipur with an annual installed capacity of 0.45 crore pieces of Headlamps and 1.2 crore pieces of Halogen bulbs. The company sells its products under the brand name 'Autopal' in domestic and international market and primarily caters to the OEM's along with the replacement market.

Financials (Standalone)

For the year ended* / As On	(Rs. crore)	
	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	124.68	120.73
EBITDA	7.06	8.88
PAT	0.49	0.37
Total Debt	35.90	33.27
Tangible Net worth	36.93	37.98
EBITDA Margin (%)	5.67	7.35
PAT Margin (%)	0.39	0.30
Overall Gearing Ratio (x)	0.97	0.88

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

S. No.	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Term Loan	Long Term	2.00	IVR BB+/Stable Outlook (IVR Double B with Stable Outlook) ISSUER NOT COOPERATING	IVR BB+/Stable Outlook (IVR Double B plus with Stable Outlook) (May 07, 2019)	--	--



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2.	Cash Credit	Long Term	7.00	IVR BB/Stable Outlook (IVR Double B with Stable Outlook) ISSUER NOT COOPERATING	IVR BB+/Stable Outlook (IVR Double B plus with Stable Outlook) (May 07, 2019)	--	--
3.	Packing Credit	Short Term	6.00	IVR A4 (IVR A Four) ISSUER NOT COOPERATING	IVR A4+ (IVR A Four plus) (May 07, 2019)	--	--
4	Foreign Bill Discounting	Short Term	2.50	IVR A4 (IVR A Four) ISSUER NOT COOPERATING	IVR A4+ (IVR A Four plus) (May 07, 2019)	--	--
5	Letter of Credit	Short Term	2.50	IVR A4 (IVR A Four) ISSUER NOT COOPERATING	IVR A4+ (IVR A Four plus) (May 07, 2019)	--	--
6	Bank Guarantee	Short Term	1.00	IVR A4 (IVR A Four) ISSUER NOT COOPERATING	IVR A4+ (IVR A Four plus) (May 07, 2019)	--	--

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities



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and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities –Term Loan	-	-	Dec,2024	2.00	IVR BB / Stable Outlook; Issuer Not Cooperating
Long Term Bank Facilities – Cash Credit	-	-	-	7.00	IVR BB / Stable Outlook; Issuer Not Cooperating
Short Term Bank Facilities – Packing Credit	-	-	-	6.00	IVR A4; Issuer Not Cooperating
Short Term Bank Facilities – Foreign Bill Discounting	-	-	-	2.50	IVR A4; Issuer Not Cooperating
Short Term Bank Facilities – Letter of Credit	-	-	-	2.50	IVR A4; Issuer Not Cooperating
Short Term Bank Facilities – Bank Guarantee	-	-	-	1.00	IVR A4; Issuer Not Cooperating

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