

August 31, 2021

Reliable Autotech Private Limited: Rating Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long – Term – Fund Based – Cash Credit	35.00	35.00	[ICRA]BBB- (Stable); Withdrawn
Long – Term – Fund Based – Term Loan	47.22	47.22	[ICRA]BBB- (Stable); Withdrawn
Short -Term – Non – Fund Based	33.89	33.89	[ICRA]A3; Withdrawn
Short -Term – Interchangeable [^]	(15.00)	(15.00)	[ICRA]A3; Withdrawn
Total	116.11	116.11	

^{*}Instrument details are provided in Annexure-1

[^]Interchangeable with cash credit facility of Rs. 35.00 crore

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Reliable Autotech Private Limited** at the request of the company and based on the No Objection Certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Ratings Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	NA

About the company

RAPL is an auto component manufacturer, incorporated in 1996 by Mr. Rajendra Bagwe, Mr. Devendra Bapat and Mr. Amol Chitnis. The promoters have been in the auto component business since 1985. RAPL is mainly engaged in manufacturing sheet metal pressed, fabricated and welded components as well as aggregates for on-road and offroad vehicles. RAPL is focusing on diversifying into the engineering sector with its relatively recent foray into new sectors like defence, gas meter casings and dies. Utility vehicles (UVs) and tractors (farm equipment) are, at present, its key target segments. The company has eight manufacturing facilities, three in Nashik, two in Pune (Maharashtra), one in Sanand (Gujarat) and a start-up facility each in Pithampur (Madhya Pradesh) and Chakan (Maharashtra). RAPL's key customers include M&M, the John Deere Group, Benteler Automotive India, Volkswagen India, Navistar Inc., Kubota Tractors and L&T. It also exports its products to clients like John Deere in the US and Europe, and to Navistar Inc. in USA. Exports accounted for 21% of RAPL's sales in FY2020. The company is

IATF 16949:2016, EMS-ISO 14001:2004, OHSAS 18001:2007 and ISO 9001:2015 certified. RAPL reported a profit after tax (PAT) of Rs. 12.64 crore on an operating income (OI) of Rs. 395.22 crore in FY2019 against a PAT of Rs. 10.46 crore on an OI of Rs. 340.61 crore in FY2018. As per provisional estimates, it reported an OI of Rs. 304.95 crore and profit before tax (PBT) of Rs. 7.80 crore in FY2020.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	
					Aug 31, 2021	Jun 25, 2020	-	Mar 06, 2019	Jul 20, 2018
1	Term Loan	Long-Term	47.22	46.24*	[ICRA]BBB - (Stable); Withdrawn	[ICRA]BBB- (Stable)	-	[ICRA]BBB- (Stable)	[ICRA]BB+ (Positive)
2	Cash Credit	Long-Term	35.00	-	[ICRA]BBB - (Stable); Withdrawn	[ICRA]BBB- (Stable)	-	[ICRA]BBB- (Stable)	[ICRA]BB+ (Positive)
3	Fund Based [^]	Short - Term	(15.00)	-	[ICRA]A3; Withdrawn	[ICRA]A3	-	[ICRA]A3	[ICRA]A4+
4	Non – Fund Based	Short - Term	33.89	-	[ICRA]A3; Withdrawn	[ICRA]A3	-	[ICRA]A3	[ICRA]A4+

Amount in Rs. crore *

as on May 31, 2020

[^]Interchangeable with cash credit facility of Rs. 35.00 crore rated on the long-term scale

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long – Term – Fund Based – Cash Credit	Simple
Long – Term – Fund Based – Term Loan	Simple
Short -Term – Non – Fund Based	Very Simple
Short -Term – Interchangeable	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term loan 1	Oct-2015	9.50%	Apr-2023	7.10	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 2	Jan-2014	10.00%	Dec-2020	0.75	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 3	Jun-2016	10.00%	Nov-2023	9.84	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 4	Jan-2019	10.00%	Jan-2026	18.00	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 5	Aug-2019	11.25%	May-2026	9.00	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 6	Jul-2014	10.00%	Nov-2020	1.01	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 7	Oct-2013	10.00%	Oct-2020	0.72	[ICRA]BBB - (Stable); Withdrawn
NA	Term loan 8	Jul-2014	10.00%	Dec-2020	0.80	[ICRA]BBB - (Stable); Withdrawn
NA	Cash Credit	-	9.00%	-	35.00	[ICRA]BBB - (Stable); Withdrawn
NA	EPC/EBD/EBN/PCFC [^]	-	-	-	(15.00)	[ICRA]A3; Withdrawn
NA	Bank Guarantee	-	-	-	7.50	[ICRA]A3; Withdrawn
NA	Letter of Credit	-	-	-	25.00	[ICRA]A3; Withdrawn
NA	Short-term non-fund based	-	-	-	1.39	[ICRA]A3; Withdrawn

[^]Interchangeable with cash credit facility of Rs. 35.00 crore rated on the long-term scale

Source: RAPL

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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