

December 13, 2024

International Aerospace Manufacturing Private Limited: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Term loan	150.00	150.00	[ICRA]A (Stable); Outstanding
Long-term – Fund-based – Working Capital	-	40.00	[ICRA]A (Stable); Outstanding
Long-term/ Short -term – Fund based/ Non-Fund based working capital	100.00	60.00	[ICRA]A (Stable)/[ICRA]A2+; Outstanding
Total	250.00	250.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the lender-wise facilities of the rated limits, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position and rating sensitivities: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

International Aerospace Manufacturing Pvt. Ltd (IAMPL) was started in 2010 as a 50/50 joint venture between Rolls-Royce and Hindustan Aeronautics Limited (HAL) for manufacturing high-precision aero engine compressor and gas turbine parts. At present, IAMPL supplies close to 200 different parts for multiple civil aero engine programmes of Rolls-Royce. The company machines forgings received from its suppliers and supplies the machined parts to its customers. The company uses machine tools, CMM, metal spray booths, & NDT lines to complete its manufacturing operations. The company's Bengaluru facility has a capacity of 2,50,000 hours and IAMPL is currently setting up another facility at Hosur with similar capacities.

Key financial indicators (audited)

Standalone	FY2023	FY2024
Operating income	184.8	250.8
PAT	14.4	21.3
OPBDIT/OI	13.2%	14.5%
PAT/OI	7.8%	8.5%
Total outside liabilities/Tangible net worth (times)	0.4	1.1
Total debt/OPBDIT (times)	0.0	1.6
Interest coverage (times)	55.2	15.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current rating (FY2025)		Chronology of rating history for the past 3 years		
			Date & rating in FY2025		Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
			Dec 13, 2024	August 01, 2024	-	-	-
1 Term loans	Long term	150.00	[ICRA]A (Stable)	[ICRA]A (Stable)	-	-	-
2 Working Capital Facilities	Long Term	40.00	[ICRA]A (Stable)	-	-	-	-
3 Working Capital Facilities	Long term and short term	60.00	[ICRA]A (Stable)/ [ICRA]A2+	[ICRA]A (Stable)/ [ICRA]A2+	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term Loan	Simple
Long Term – Fund Based – Working Capital	Simple
Long Term/Short Term –Fund-based/Non-Fund based working capital facilities	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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loans	NA	NA	NA	150.00	[ICRA]A (Stable)
NA	Working Capital Facilities	NA	NA	NA	40.00	[ICRA]A (Stable)
NA	Working Capital Facilities	NA	NA	NA	60.00	[ICRA]A (Stable)/ [ICRA]A2+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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