

August 29, 2019

Aequs Engineered Plastics Private Limited: Ratings withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. Crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based - Term Loans	15.18	15.18	[ICRA]BB (Stable); Withdrawn
Fund-based Facilities	9.00	9.00	[ICRA]BB (Stable); Withdrawn
Non-Fund Based Facilities	2.55	2.55	[ICRA]A4; Withdrawn

*Instrument details are provided in Annexure 1

Rationale

The afore-mentioned rating assigned to Rs. 26.73 crore facilities of Aequs Engineered Plastics Private Limited (AEPPL/ the company) has been withdrawn at the request of the company and upon receipt of no due certificate from the banker, in accordance with ICRA's policy on withdrawal and suspension of credit rating.

Outlook: Not Applicable

Key rating drivers

Not Applicable

Liquidity position

Not Applicable

Analytical approach:

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

About the company:

Incorporated in 2015, AEPPL is involved in manufacturing of moulded industrial plastic items. The company's manufacturing facilities are located in Belgaum in the Aequs SEZ. The company uses techniques like injection moulding, blow moulding, compressor moulding, rotational moulding etc. to manufacture the plastic items. While the company is currently involved in contract manufacturing of toys for Hasbro Inc., it intends to diversify into moulding of components and accessories for domestic appliances, consumer electronics and automotive parts going forward. Primary raw materials which are used by AEPPL to manufacture engineered plastics are Acrylonitrile Butadiene Styrene (ABS), Polypropylene (PP), High Density Polyethylene (HDPE), PC (Polycarbonate), Nylon filled polymers. AEPPL forms part of the Aequs Group ("the Group") and is a 98.23% subsidiary of AIGF Investments II Private Limited. Aequs Group is www.icra.in

primarily engaged in precision machining, sheet metal fabrication, assembly, forging, and special processing for the aerospace and oil & gas industries.

Key financial indicators (audited)

	FY2017	FY2018
Operating Income (Rs. crore)	15.7	43.4
PAT (Rs. crore)	-3.9	-1.5
OPBDIT/OI (%)	-9.0%	12.1%
RoCE (%)	-24.8%	1.2%
Total Debt/TNW (times)	1.1	0.7
Total Debt/OPBDIT (times)	-8.6	4.5
Interest coverage (times)	-1.3	2.6

Source: company

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2020)					Chronology of Rating History for the past 3 years		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Date & Rating Aug-19	Date & Rating in FY2018 Feb-18	Date & Rating in FY2018 Apr-17	Date & Rating in FY2017 Mar-17
1 Term Loans	Long Term	15.18	Nil	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BBB (SO) (Negative)	[ICRA]BBB (SO) (Negative)
2 Fund based facilities	Long Term	9.00	Nil	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BBB (SO) (Negative)	[ICRA]BBB (SO) (Negative)
3 Non-fund based facilities	Short Term	2.55	Nil	[ICRA]A4; Withdrawn	[ICRA]A4	[ICRA]A3+ (SO)	[ICRA]A3+ (SO)

Source: company

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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	Fund-based Term Loans	NA	NA	NA	15.18	[ICRA]BB (Stable); Withdrawn
NA	Fund-based Facilities	NA	NA	NA	9.00	[ICRA]BB (Stable); Withdrawn
NA	Non-fund Based Facilities	NA	NA	NA	2.55	[ICRA]A4; Withdrawn

Source: the company

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