



Press Release

Allied Engineering Works Private Limited

February 16, 2024

Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Previous Ratings	Current Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	23.78	IVR BBB- /Positive (IVR Triple B minus with Positive outlook)	IVR BB+/Negative/INC [IVR Double B Plus; with Negative Outlook / ISSUER NOT COOPERATING]	Downgraded and migrated to ISSUER NOT COOPERATING*	Simple
Short Term Bank Facilities	81.22	IVR A3 (IVR A Three)	IVR A4+/INC [IVR A Four Plus / ISSUER NOT COOPERATING]	Downgraded and migrated to ISSUER NOT COOPERATING*	Simple
Total	105.00				

*Issuer not cooperating; Based on best available information

**Details of Facilities are in Annexure 1

Ratings

The rating has been downgraded and migrated to 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

Detailed Rationale

The aforesaid rating downgrade to the bank facilities of Allied Engineering Works Private Limited reflects lack of adequate information available about the performance of the company/entity and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

IVR had rated the bank loan facilities of Allied Engineering Works Private Limited in December 2022. Despite close follow up through telephone calls and mails dated December 6th, 2023, December 7th,



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2023, December 19th, 2023, December 28th, 2023, January 11th, 2024, January 22nd, 2024, January 25th, 2024, January 29th, 2024 and concurrently over several phone calls for submission of required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, IVR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company. Based upon the same, Infomerics Ratings (IVR) has downgraded and migrated the rating to IVR BB+/Negative/ISSUER NOT COOPERATING for long term bank facilities and IVR A4+/ ISSUER NOT COOPERATING for short term bank facilities of Allied Engineering Works Private Limited.

Non-Cooperation by Issuer:

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term bank loan facilities of Allied Engineering Works Private Limited, aggregating to Rs 23.78 crore have been migrated to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating for long term be noted as IVR BB+/Negative; ISSUER NOT COOPERATING; and short-term bank loan facilities of Allied Engineering Works Private Limited, aggregating to Rs 81.22 crore have been migrated to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating for short term be noted as IVR A4+; ISSUER NOT COOPERATING based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning rating outlook](#)



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About the Company

Allied Engineering Works Pvt Ltd (AEWPL) was incorporated in 2011 and has its registered office located in Delhi. The company is engaged in manufacturing energy meters, wires & cables and smart grid solutions and include products such as auto-wire, building wires up to 1100v, solar cables, submersible cables and welding cables among others. It also offers metering solutions such as smart meters AMI/AMR, prepaid meters, and electronic energy meters. AEWPL has 3 manufacturing units located in Badli Industrial Area (Delhi).

Financials (Standalone):

(INR. Crore)

For the year ended / As on	31-03-2021	31-03-2022
	(Audited)	(Audited)
Total Operating Income	78.36	122.98
EBITDA	7.39	8.71
PAT	2.53	6.20
Total Debt	19.55	18.84
Tangible Net worth	22.84	28.31
EBIDTA Margin (%)	9.44	7.08
PAT Margin (%)	3.20	5.01
Overall Gearing Ratio (x)	0.86	0.67

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years:



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2023-24)				Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (December 28, 2022)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-2020
1.	Long Term Bank Facilities	Long Term	23.78	IVR BB+/Negative; ISSUER NOT COOPERATING	IVR BBB-/Positive	-	-	-
2.	Short Term Bank Facilities	Short Term	81.22	IVR A4+; ISSUER NOT COOPERATING	IVR A3	-	-	-

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



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Name and Contact Details of the Analyst:

Name: Vipin Jindal

Tel: (011) 45579024

Email: vipin.jindal@infomerics.com

About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit www.infomerics.com.

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 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.



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Annexure 1: Details of Facilities

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	--	--	FY2024	2.77	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]
Long Term Bank Facilities – Guaranteed Emergency Credit Line			FY2026	1.07	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]
Long Term Bank Facilities – Guaranteed Emergency Credit Line-1.0 Extension			FY2025	0.94	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]
Long Term Bank Facilities – Cash Credit				3.00	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]
Long Term Bank Facilities – Cash Credit				11.00	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]
Long Term Bank Facilities – Proposed				5.00	IVR BB+/Negative; ISSUER NOT COOPERATING* [IVR Double B



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					Plus with Negative Outlook; Issuer Not Cooperating*]
Short Term Bank Facilities – LC/BG				25.00	IVR A4+; ISSUER NOT COOPERATING* [IVR A Four Plus; Issuer Not Cooperating*]
Short Term Bank Facilities – LC/BG				37.00	IVR A4+; ISSUER NOT COOPERATING* [IVR A Four Plus; Issuer Not Cooperating*]
Short Term Bank Facilities – Proposed				19.22	IVR A4+; ISSUER NOT COOPERATING* [IVR A Four Plus; Issuer Not Cooperating*]

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-Allied-Engineering-feb24.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

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.