

July 27, 2010

**CARE ASSIGNS "CARE A-" RATING TO THE BANK FACILITIES OF AU FINANCIERS (INDIA) PVT. LTD.**

CARE has assigned "CARE A-" [A Minus] rating to the to the proposed long term bank facilities program of AU Financiers (India) Pvt. Ltd. (AUFPL) aggregating to Rs.200 crore. This rating is applicable for facilities having tenure of more than one year. Facilities with this rating are considered to offer adequate safety for timely servicing of debt obligations. Such instruments carry low credit risk.

Facility	Amount (Rs Crore)	Rating
Proposed Long Term Bank Facilities	200	CARE A-

**Rating Rationale**

The rating factors in AUFPL's strong management team, good asset quality at present, adequate capitalization, comfortable liquidity profile and good profit margins. The rating is also supported by the niche segment focus of AUFPL in originating priority sector loans and its ability to originate loans with lesser turnaround time while maintaining good credit appraisal. The rating also factors in its ability to raise capital from institutional investors. The rating is however constrained by lack of regional and product diversification and seasoning of its portfolio. Going forward, maintenance of capital adequacy & asset quality and increased diversification of business would remain the key rating sensitivities.

**Company Profile**

AUFPL is headquartered in Jaipur and was incorporated in 1996 as non banking finance company by first generation entrepreneur Mr.Sanjay Agrawal. It is primarily engaged in commercial vehicle loans with small presence in micro loans and mortgage loan (LAP). Majority of its portfolio is classified under the priority sector category. AUFPL's operations are concentrated in Rajasthan. It is expanding its operations in Maharashtra and Gujarat. AUF reported PAT of Rs.12 crore on a total income of Rs.54 crore during FY10 as compared to PAT of Rs.5 crore on a total income of Rs.23 crore during FY09.

**Analyst Contact**

Name: Vijay Agrawal

Tel # 022-67543416

Mobile # 9819161912

Email: [vijay.agrawal@careratings.com](mailto:vijay.agrawal@careratings.com)

***CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries /regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.***

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

**HEAD OFFICE: MUMBAI**

**Mr. D.R. Dogra**

Managing Director

Cell : +91-98204 16002

E-mail : dr.dogra@careratings.com

**Mr. Rajesh Mokashi**

Dy. Managing Director

Cell : +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

**Mr. Ankur Sachdeva**

Head - Business Development

Cell : +91-9819698985

E-mail: ankur.sachdeva@careratings.com

4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

**Website: www.careratings.com**

**OFFICES**

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Pralhadnagar Corporate Road, Satellite, <b>Ahmedabad - 380 015.</b> Tel – 079 4026 5656 Mobile - 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr.Sundara Vathanan Regional Manager Unit No. 8, I floor, Commander's PlaceNo. 6, Raja Ram Mohan Roy Road, Richmond Circle, <b>Bangalore - 560 025.</b> Tel – 080 2211 7140 Mobile – 98803 60878 E-mail: sundara.vathanan@careratings.com</p>
<p>Mr. Pradeep Kumar Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, <b>Chennai 600 002</b> Tel: 044 2849 7812/2849 0811 Mobile – 98407 54521 E-mail : Pradeep.kumar@careratings.com</p>	<p>Mr. Ashwini Jani Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat Nagar <b>Hyderabad - 500 029</b> Tel – 040 40102030 Mobile – 91766 47599 E-mail: ashwini.jani@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3<sup>rd</sup> Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani <b>Kolkata - 700 071.</b> Tel – 033 2283 1800/1803 Mobile – 98311 70075 E- mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 710 Surya Kiran, 19 K.G. Road, <b>New Delhi - 110 001.</b> Tel – 011 2331 8701/2371 6199 Mobile – 98117 45677 E-mail : swati.agrawal@careratings.com</p>