



RATING RATIONALE

2 March 2021

Aditya Auto Components

Brickwork Ratings downgrades the long term rating for the Bank Loan Facilities of Rs. 6.00 Cr of Aditya Auto Components based on best available information, as the issuer did not cooperate.

Particulars

| Facility | Amount (Rs. Crs.) | | Tenure | Rating# | |
|--------------|-------------------|-------------|-------------------------------|---------------------|---|
| | Previous | Present | | Previous (Nov 2019) | Present |
| Fund Based | 6.00 | 6.00 | Long Term | BWR BB/Stable | BWR BB-/Stable (Downgraded) Issuer Not Cooperating* |
| Total | 6.00 | 6.00 | Rupees Six Crores Only | | |

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of the information, non-submission of No Default Statement as per regulatory requirements and lack of management cooperation, Brickwork Ratings has downgraded the long term rating to 'BWR BB-/Stable ISSUER NOT COOPERATING' for the bank loan facilities amounting to Rs. 6.00 Crs of Aditya Auto Components.

The lenders may note to exercise due caution while using the above ratings, which mentions "ISSUER NOT COOPERATING" since the ratings lack any projections of a forward looking component as it is arrived based on the best available information on the firm without any management/ banker's interaction.

The rating was due for a review in Nov 2020. BWR took up with the issuer to provide required information over emails (latest dated 25.2.2021 and 26.2.2021) and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, BWR is unable to assess the issuer's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

FIRM PROFILE

Aditya Auto Components commenced business entity in 1995 and continued its operation at No 413, 9th cross Petechnappa Indl Estate, Kamakshipalya. Aditya Auto Components is engaged in



the manufacturing of precision-turned components used in Automotive parts, Hydraulic parts, Dental parts. Partners Rama Chandra & Sharada Sherigarthy to their credit have 40 years of experience in this business..

NON-COOPERATION WITH PREVIOUS RATING AGENCY: Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

| Facilities | Current Rating (2021) | | | Rating History | | |
|------------|-----------------------|-------------------|--|----------------|----------------------|------|
| | Tenure | Amount (Rs. Crs.) | Rating | 2020 | 6.11.2019 | 2018 |
| Fund Based | Long Term | 6.00 | BWR BB-/Stable (Downgraded) Issuer Not Cooperating* | - | BWR BB/Stable | - |
| Total | | 6.00 | Rupees Six Crores Only | | | |

Note: The ratings moved to Not Reviewed Advisory in Nov 2020.

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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Aditya Auto Components

ANNEXURE I

Details of Bank Facilities rated by BWR

| Type of Facilities | Long Term (Rs. Crs.) | Short Term (Rs. Crs.) | Total (Rs. Crs.) |
|--------------------|-------------------------|--------------------------|---------------------|
| Cash credit | 2.00 | - | 2.00 |
| Term Loan | 4.00 | - | 4.00 |
| Total | | | 6.00 |

Total Rupees Six Crores only

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