

Rating Rationale

11 Aug 2023

UM Autocomp Private Limited

Brickwork Ratings has reaffirmed the ratings for the Non-Convertible Debentures of Rs. 334.34 Crs. of UM Autocomp Private Limited based on the best available information, as the issuer did not cooperate.

Particulars

Instrument [^]	Amount (Rs. Crs.)		Tenure	Rating**	
	Previous	Present		Previous (27 Jul 2022)	Present
NCD	334.34	334.34	Long Term	BWR D ISSUER NOT COOPERATING* (Reaffirmation)	BWR D Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed
Total	334.34	334.34	Rupees Three Hundred Thirty Four Crores and Thirty Four lakhs Only		

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

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

[^]Details of rated NCDs are provided in Annexure-I;

RATING ACTION/OUTLOOK/NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) has consistently taken up with the company through emails and telephone calls to provide the requisite information for the review of the ratings. Despite the best efforts of BWR to get at least the minimum required information for a review, the company continues to be non-cooperative. Further, the company has not been submitting the monthly ‘No Default Statement’ (NDS) in deviation from the extant guidelines. In the absence of adequate information from the entity and continued lack of cooperation, BWR is unable to assess the company’s financial performance and its ability to service its debt and maintain a valid rating. Hence, based on the best available information, continued lack of management cooperation, non-submission of NDS, and in terms of extant regulatory requirements, BWR has reaffirmed the rating to BWR D and continued in the ISSUER NOT COOPERATING* category.

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

LIMITATIONS OF THE RATING

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



therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

ISSUE DETAILS

UM Autocomp Private Limited has raised unlisted NCD amounting to Rs. 411.80 Crores with a tenor of 78 months which are

Coupon- 10 % p.a payable monthly on the 30th or last day of the month whichever is earlier for the first one year and six months, 12 % p.a thereafter

Purpose- The NCD shall be used for repayment of existing outstanding liabilities towards banks /Financial institutions.

Repayment Details:-

Repayment structure	Percentage
Moratorium Period of 18 months from the date of allotment i.e 30/08.2017	0 %
Last Day of Every month starting from 19th to 30th month	10 %
Last Day of Every month starting from 31st to 42nd month	15 %
Last Day of Every month starting from 43rd to 54th month	20 %
Last Day of Every month starting from 55th to 66th month	25 %
Last Day of Every month starting from 67th to 78th month	30 %

Note: As per information available with BWR as on March 2019

ABOUT THE COMPANY

UM Autocomp Private Ltd is engaged in the business of manufacturing and sale of automobile accessories i.e Head Lamps, Tail lamps, Plastic Moulded Components, Air Cleaner, Sheet Metal Components, besides other components at three locations: Bhagwanpur in Uttarakhand, Saharanpur in U.P. and Manesar in Haryana. The Company was promoted with the objective of taking over the auto component business division of Unitech Machines Limited. W.e.f. 1st March 2017 UM Autocomp Private Ltd (which was incorporated on 22 Aug 2016) acquired the auto business of Unitech Machines Ltd. This transaction was concluded through the process of slump sales.

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY 17-18 (Audited)	FY 18-19 (Provisional)	FY22-23 (Audited)
Operating Revenue	Rs.Crs.	493.92	550.71	N.A
EBITDA	Rs.Crs.	70.65	71.98	N.A
PAT	Rs.Crs.	-56.44	-9.47	N.A
Tangible Net Worth	Rs.Crs.	-338.88	-333.84	N.A
Total Debt/TNW	Times	-1.29	-1.22	N.A
Current Ratio	Times	0.73	0.77	N.A

NON-COOPERATION WITH PREVIOUS RATING AGENCY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

Instrument	Current Rating (August 2023)			Rating History		
	Tenure	Amount (Rs. Crs.)	Rating	2022 27 Jul 2022	2021 27 Jul 2021	2020 27 Jul 2020
NCD (ISIN: INE117Y07011)	Long term	334.34	BWR D (Continues to be in ISSUER NOT COOPERATING*/ Reaffirmed)	BWR D ISSUER NOT COOPERATING* (Reaffirmed)	BWR D ISSUER NOT COOPERATING* (Reaffirmed)	BWR D ISSUER NOT COOPERATING* (Reaffirmed)
Grand Total		334.34	Rupees Three Hundred Thirty Four Crores and Thirty Four lakhs Only			

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

COMPLEXITY LEVELS OF THE INSTRUMENTS: COMPLEX

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

Any other information: Nil

Hyperlink/Reference to applicable Criteria

<ul style="list-style-type: none"> General Criteria 	<ul style="list-style-type: none"> Default Recognition and Default Curing Period
<ul style="list-style-type: none"> Approach to Financial Ratios 	<ul style="list-style-type: none"> What Constitutes Non-cooperation

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**UM Autocomp Private Limited
ANNEXURE I**

Details of NCDs rated by BWR

Instrument	Issue date	Amount (Rs. Crs.)	Coupon	Maturity Date	ISIN
NCD	20-Aug-2017	334.34	10 % for one year and six months, 12 % thereafter	29-Feb-2024	INE117Y07011
Total		334.34	Rupees Three Hundred Thirty Four Crores and Thirty Four lakhs Only		

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