RATING RATIONALE

12 March 2021

Avalon Technology & Services Private Limited.

Brickwork Ratings reaffirms and withdraws the Ratings for the Bank Loan facilities of ₹39.00 Crore of Avalon Technology & Services Private Limited

Instruments / Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous Jan 2020	Present
Cash Credit#	(20.00)	(20.00)	**Long Term**	**BWR BB (Stable)**	**BWR BB (Stable) Withdrawn**
External Packing Credit	39.00	39.00	**Short Term**	**BWR A4**	**BWR A4 Withdrawn**
Total	**39.00**	**39.00**	**Rupees Thirty Nine Crores Only**		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings #Cash Credit is a sublimit of EPC
**Details of Bank facilities is provided in Annexure-I

RATING ACTION /WITHDRAWAL

Brickwork ratings has reaffirmed and simultaneously withdrawn the rating of BWR BB(Stable)/A4 assigned to Avalon Technology & Services Private Limited bank facilities aggregating to Rs.39.00 Crores, based on company's request and the bank has also issued no objection certificate in this regard.

COMPANY PROFILE

Avalon Technology & Services Pvt Ltd caters to multiple industry segments with a specific focus on Aerospace, Rail and Industrial. The company is broadly divided into two business divisions, namely MAP (Metal, Aerospace, Plastics) and PEM (PCB, Electromechanical integration and Magnetics). MAP is approximately 60% of ATSPL's business and PEM amounts to 40% of the business. The various segments to which the company caters to are aerospace, telecom, railways, medical, industrial automotive etc

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY - India Ratings, vide its press release dated 09 May 2018, has migrated its ratings of the bank loan facilities of the company to the Issuer Not Cooperating* category on account of non availability of requisite information needed for the rating exercise.

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

<table>
<tr><th>Instrument / Facilities</th><th colspan="3">Current Rating</th><th colspan="4">Rating History</th></tr>
<tr><td></td><td>Tenure (Long Term/ Short Term)</td><td>Amount (₹ Cr)</td><td>Rating</td><td>Jan 2020</td><td>2019</td><td>2018</td><td>2017</td></tr>
<tr><td>Cash Credit#</td><td>Long Term</td><td>(20.00)</td><td>BWR BB (Stable) Reaffirm Withdrawn</td><td>BWR BB (Stable)</td><td rowspan="2"></td><td rowspan="2"></td><td rowspan="2">NIL</td></tr>
<tr><td>External Packing Credit</td><td>Short Term</td><td>39.00</td><td>BWR A4 Reaffirm Withdrawn</td><td>BWR A4</td></tr>
<tr><td colspan="2">Total</td><td>39.00</td><td colspan="5">INR Thirty Nine Crores Only</td></tr>
</table>

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**
- **Withdrawal Policy**

Analytical Contacts	
Vijayalakshmi R **Ratings Analyst** **B :+91 044 24663326** **vijayalakshmi.r@brickworkratings.com**	**R Varadarajan** **Associate Director - Ratings** **B :+91 044 24663326** **varadarajan.r@brickworkratings.com**
1-860-425-2742	media@brickworkratings.com

ANNEXURE I

Avalon Technology & Services Private Limited
Details of Bank Loan Facilities rated by BWR

Sl. No.	Type of Facilities	Long Term {(₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Cash Credit#	(20.00)	-	(20.00)
2	EPC	-	39.00	39.00
TOTAL Rupees Thirty Nine Crores only				39.00

#Cash Credit is a sublimit of EPC; ^In addition to the above facilities, ATSPL has forward contract of Rs.40.00Crores availed from Indian Bank which is not rated by BWR at the request of the company

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.