

Press Release

Komos Automotive India Private Limited

May 16, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	17.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	52.68	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	69.68	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 69.68 crore bank facilities of Komos Automotive India Private Limited (KA IPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

Komos Automotive India Private Limited (KA IPL), incorporated in 2006, is a wholly-owned subsidiary of Komos company *limited*, Korea. KA IPL is a Tier-I supplier for Hyundai Motors India Limited (HML), engaged in manufacturing of steering wheels, horn covers, consoles and trim, pillar parts and clutch assembly for i10, i20, EON, Verna, Elantra models of HML. The current directors of the company are Mr Jongick Lee and Mr Sang Je Cho. The company has its registered office located at Chennai.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None.

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable.

Other Factors affecting Rating

Not Applicable.

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	749.96	602.20
PAT	Rs. Cr.	15.92	8.56
PAT Margin	(%)	2.12	1.42
Total Debt/Tangible Net Worth	Times	1.33	1.34
PBDIT/Interest	Times	11.02	6.52

Status of non-cooperation with previous CRA

None.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Feb 2022	Letter of Credit	Short Term	3.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Short Term Loan	Short Term	3.88	ACUITE A4 (Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE B+ (Issuer not co-operating*)
	Packing Credit	Short Term	45.80	ACUITE A4 (Issuer not co-operating*)

	Cash Credit	Long Term	10.00	ACUITE B+ (Issuer not co-operating*)
19 Nov 2020	Cash Credit	Long Term	7.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	3.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Short Term Loan	Short Term	3.88	ACUITE A4 (Issuer not co-operating*)
	Packing Credit	Short Term	45.80	ACUITE A4 (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Overseas Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Standard Chartered Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	45.80	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	3.88	ACUITE A4 Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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