

Press Release

Techno Auto Components (India) Private Limited

October 15, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B Downgraded & Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE B**' (**read as ACUITE B**) from '**ACUITE B+**' (**read as ACUITE B plus**) and reviewed the short term facility of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 10.00 crore bank facilities of Techno Auto Components (India) Private Limited (TACPL). This rating is now an indicative rating and is downgraded on account of information risk

Haryana-based, Techno Auto Components (India) Private Limited (TACPL) was incorporated in 1994, by Mr. Sushant Chhabra and Ms. Bala Chhabra. The company is a part of Unitech machines group comprising of Alpha Toyo Limited (ATL), UM Autocomp Private Limited (UMAPL), Trading Engineers International Limited (TEIL), Nikko Auto Limited (NAL) and Techno Auto components (India) private limited (TACPL). The company is engaged in the manufacturing of rubber and rubber to metal bonded components for 2 and 3 Wheelers, like Rubber Bellows, Rubber Steps, Rubber packing, Torque Dampers, Handle Grip, and Rubber bushing to name of few.

About the group

Unitech Machines (UM) group is a conglomerate and has a presence in various sectors comprising of Automobile, Engineering, Manufacturing, Power, Oil & Gas and Telecom via group companies. The group began its operations by the incorporation of TEIL in 1972 followed by the incorporation of ATL, NAL, TACPL and UMAPL in the years 1978, 1983, 1994 and 2016 respectively.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of the TACPL to arrive at this rating.

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 an 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

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 endeavoured 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
07-Aug-2019	Open Cash Credit	Long Term	6.00	ACUITE B+ / Stable (Reaffirmed)
	Inland Letter of Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
22-May-2018	Open Cash Credit	Long Term	6.00	ACUITE B+ / Stable (Assigned)
	Inland Letter of Credit	Short Term	4.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Open Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE B Downgraded & Issuer not co-operating*
Inland Letter of Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Nikhilesh Pandey Analyst - Rating Operations Tel: 011-49731312 nikhilesh.pandey@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,375 credit 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 Mumbai.

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