

## Press Release

**Techno Auto Components (India) Private Limited**

**January 13, 2022**



### Rating Reaffirmed and Issuer not co-operating

| Product                  | Quantum (Rs. Cr) | Long Term Rating                                 | Short Term Rating                                 |
|--------------------------|------------------|--|---|
| <b>Bank Loan Ratings</b> | 4.00             |  | ACUITE A4   Reaffirmed   Issuer not co-operating* |
| <b>Bank Loan Ratings</b> | 6.00             | ACUITE B   Reaffirmed   Issuer not co-operating* |   |
| <b>Total</b>             | 10.00            | -  | -   |

### Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B**' (**read as ACUITE B**) and the short term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 10.00 crore bank facilities of Techno Auto Components India Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

### About the Company

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.

### 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.

### **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.

### **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.

### **Status of non-cooperation with previous CRA**

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.

### **Applicable Criteria**

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

### **Rating History**

| <b>Date</b> | <b>Name of Instruments/Facilities</b> | <b>Term</b> | <b>Amount (Rs. Cr)</b> | <b>Rating/Outlook</b>                              |
|-------------|---------------------------------------|-------------|------------------------|--|
| 15 Oct 2020 | Cash Credit                           | Long Term   | 6.00                   | ACUITE B (Downgraded and Issuer not co-operating*) |
|             | Letter of Credit                      | Short Term  | 4.00                   | ACUITE A4 (Issuer not co-operating*)               |
| 07 Aug 2019 | Cash Credit                           | Long Term   | 6.00                   | ACUITE B+   Stable (Reaffirmed)                    |
|             | Letter of Credit                      | Short Term  | 4.00                   | ACUITE A4 (Reaffirmed)                             |
| 22 May 2018 | Cash Credit                           | Long Term   | 6.00                   | ACUITE B+   Stable (Assigned)                      |
|             | Letter of Credit                      | Short Term  | 4.00                   | ACUITE A4 (Assigned)                               |

**Annexure - Details of instruments rated**

| <b>Lender's Name</b> | <b>ISIN</b>    | <b>Facilities</b> | <b>Date Of Issuance</b> | <b>Coupon Rate</b> | <b>Maturity Date</b> | <b>Quantum (Rs. Cr.)</b> | <b>Rating</b>                                     |
|----------------------|----------------|-------------------|-------------------------|--------------------|----------------------|--------------------------|---|
| Canara Bank          | Not Applicable | Cash Credit       | Not Applicable          | Not Applicable     | Not Applicable       | 6.00                     | ACUITE B   Reaffirmed   Issuer not co-operating*  |
| Canara Bank          | Not Applicable | Letter of Credit  | Not Applicable          | Not Applicable     | Not Applicable       | 4.00                     | ACUITE A4   Reaffirmed   Issuer not co-operating* |

## Contacts

| Analytical  | Rating Desk  |
|---|--|
| Aditya Gupta<br>Vice President-Rating Operations<br>Tel: 022-49294041<br><a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a> | Varsha Bist<br>Senior Manager-Rating Operations<br>Tel: 022-49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |
| J. Subhadra<br>Senior Analyst-Rating Operations<br>Tel: 022-49294065<br><a href="mailto:j.subhadra@acuite.in">j.subhadra@acuite.in</a>      |  |

### 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 8,850 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 Kanjurmarg, Mumbai.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.