

August 22, 2019

The National Stock Exchange of India
“Exchange Plaza”, Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051
(Scrip Code – SHIVAMAUTO)

The Bombay Stock Exchange Limited
Phiroje Jeejeebhoy Towers
Dalal Street Fort
Mumbai – 400 001
(Scrip Code – 532776)

Sub: Intimation of Credit Rating of the Company

Dear Sir,

This is to inform you that rating committee of Credit Analysis & Research Limited (CARE) has assigned the following ratings to the Bank facilities:

Facilities	Current Rating	Previous Rating
Long term Bank facilities	CARE BBB; Negative (Triple B; Outlook Negative)	CARE BBB+; Stable (Triple B+; Outlook Stable)
Short term Bank facilities	CARE A2 (A Two)	CARE A2+ (A Two Plus)

CARE has downgraded the ratings based on the following reasons:

1. Financial risk profile of the Company during FY 2019 and Q1 FY 2020 marked by loss at net level.
2. Delicately poised liquidity position with high working capital utilization.
3. Ratings remained constrained by moderated solvency and debt coverage indicators.
4. Cyclical nature of auto sector

However, ratings continue to derive strength from the experienced and resourceful promoters, favorable plant locations and strong operational linkages and long standing relationship with its major customer.

The Company’s ability to improve its profitability margins while ramping up its production in the new Greenfield plants as well as continued support and linkages with Hero MotoCorp would remain the key rating sensitivities.

Kindly take the above on your record and oblige.

Thanking you.

For Shivam Autotech Limited



Shivani Kakkar
Company Secretary
M. No. 25097



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