

February 20, 2020

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 downgraded the ratings assigned to the Bank facilities based on the following reasons:

1. Deterioration in the financial risk profile of the Company in FY19 and 9MFY20 marked by cash losses.
2. The liquidity position is delicately poised due to high working capital utilization.
3. Ratings remained constrained by moderated solvency and debt coverage indicators on account of debt funded capex in the past.
4. Revenue concentration risk
5. Working capital intensive nature of operations and cyclical nature of auto sector.

Facilities	Current Revised Rating	Previous Rating
Long term Bank facilities	CARE BBB-; Negative- (Triple B Minus; Outlook: Negative)	Revised from CARE BBB; Negative , (Triple B; Outlook:Negative)
Short term Bank facilities	CARE A3+ (A Three Plus)	Revised from Care A2 (A Two)

Although, the rating continues to derive strength from

1. Experienced and resourceful promoters
2. Favorable location of plants
3. Strong operational linkages
4. Long-standing relationship with its major customers.

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

Samta Bajaj



Samta Bajaj

Company Secretary and Compliance Officer

M.No. A50269

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