



Feb 21, 2017

**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: Clarification for downward Credit Rating**

Dear Sir,

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

1. Moderation in the financial profile during H1 FY17 in terms of profitability.
2. Debt coverage indicators due to delay in stabilization of its greenfield plants in Bengaluru (Karnataka) and Rohtak (Haryana).
3. Revenue concentration risk
4. Debt funded capex in recent past impacting the overall gearing as on Mar 31, 2016

Facilities	Current Revised Rating	Previous Rating
Long term Bank facilities	CARE BBB+ (Triple B Plus)	CARE A- (Single A Minus)
Short term Bank facilities	CARE A2+ (A Two Plus)	CARE A1 (A One)

Although, the rating continues to derive strength from

- the experienced and resourceful promoters,
- favorable locations of its plants,
- 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 envisaged would remain the key rating sensitivities.

Yours truly,

For ShivamAutotech Limited

*Shivani Kakkar*

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**Shivani Kakkar**  
Company Secretary  
M. no. 25097

