

Malwa Automotives Private Limited

June 10, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	20.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	20.00 (Rs. Twenty Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 01, 2021, placed the rating(s) of Malwa Automotives Private limited (MAPL) under the 'issuer non-cooperating' category as MAPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 15, 2022, February 25, 2022, March 07, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [April 01, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Delhi based Malwa Automotives Private Limited (MAPL) was incorporated in September, 2012 as a private limited company. The company is currently managed by Mr Chandra Mohan Sharma and Mr Bal Kishan Sharma. The company is engaged in sale of motor vehicles which includes retail sale of passenger cars. MAPL is an authorized dealer and distributor of Jaguar Land Rover (from year 2014). MAPL operates a 3S facility (Sales, Spares and Service) and has one showroom and one service centre located in Delhi

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)
Total operating income	46.67	34.69	NA
PBILDT	4.66	4.63	NA
PAT	0.05	0.07	NA
Overall gearing (times)	16.21	16.23	NA
Interest coverage (times)	1.16	1.22	NA

A – Audited, Prov. - Provisional, NA – Not available

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of MAPL into ISSUER NOT COOPERATING category vide press release dated April 18, 2022 on account of its inability to carry out a review in the absence of requisite information.

India Ratings has continued the rating assigned to the bank facilities of MAPL into ISSUER NOT COOPERATING category vide press release dated March 30, 2022 on account of its inability to carry out a review in the absence of requisite information.

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

*Issuer did not cooperate; Based on best available information

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure-3

Complexity level of various instruments rated for this company: Please refer Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	August 2021	1.61	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	18.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Proposed fund based limits	-	-	-	-	0.39	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	1.61	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (01-Apr-21)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)
2	Fund-based - LT-Cash Credit	LT	18.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (01-Apr-21)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)
3	Fund-based - LT-Proposed fund based limits	LT	0.39	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (01-Apr-21)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Feb-20)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Proposed fund based limits	Simple
3	Fund-based - LT-Term Loan	Simple

Annexure-5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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