

## Bhargava Motors

January 18, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	21.75	CARE B+; Stable; ISSUER NOT COOPERATING*	Revised from CARE BB-; Stable (Double B Minus; Outlook: Stable) and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	0.40	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	Revised from CARE BB-; Stable / CARE A4 (Double B Minus; Outlook: Stable / A Four) and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.35	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE has been seeking information from Bhargava Motors to monitor the rating vide e-mail communications dated January 03,2023, December 01,2022, November 4, 2022, October 11, 2022, September 20,2022, and numerous phone calls etc., However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating based on the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating of Bhargava Motors will now be denoted as CARE B+; Stable/CARE A4; ISSUER NOT COOPERATING.

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

The rating has been revised by considering non-availability of requisite information due to non-cooperation by Bhargava Motors with CARE'S efforts to undertake a review of the outstanding rating. CARE views information availability as a key factor in its assessment of credit risk.

### Detailed description of the key rating drivers

Please refer to PR dated [November 03,2021](#)

### Analytical approach: Standalone

#### Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

#### About the company

Delhi based Bhargava Motors (BM) was incorporated in 1969 as a proprietorship firm by Mr. Vishnu Bhargava. Bhargava Motors is the only authorized auto part dealer of Mahindra and Mahindra in Gurugram and Noida areas in Haryana and Uttar Pradesh respectively. Bhargava Motors is also one of the two authorized dealers for what in Delhi. The firm is an approved stockiest of Mahindra & Mahindra's spare part like carburetor, radiator, piston, cam-shaft etc. The firm caters to the demands of various Mahindra's service centers in Delhi, Haryana and Uttar Pradesh and also to retailers, and local workshops.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (UA)	December 31,2022 (UA)
Total operating income	83.58	89.66	NA	NA
PBILDT	4.67	4.86	NA	NA
PAT	0.85	1.19	NA	NA
Overall gearing (times)	2.99	2.94	NA	NA
Interest coverage (times)	1.28	1.40	NA	NA

A: Audited; UA: Un-audited; NA: Not Available

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** CRISIL has reviewed and downgraded the rating of CARE B; Stable; Issuer Not Co-operating based on best available information vide press release dated July 11,2022.

**Any other information:** Not Applicable

**Rating history for the last three years:** Please refer Annexure-2

**Covenants of the rated instruments/facilities:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of the various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	21.75	CARE B+; Stable; ISSUER NOT COOPERATING*
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	0.40	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.35	CARE A4; ISSUER NOT COOPERATING*

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	21.75	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1) CARE BB-; Stable (03-Nov-21)	1) CARE B+; Stable; ISSUER NOT COOPERATING* (16-Oct-20)	1) CARE B+; Stable; ISSUER NOT COOPERATING* (05-Sep-19) 2) CARE BB-; Stable (29-May-19)
2	Non-fund-based - ST-Bank Guarantee	ST	5.35	CARE A4; ISSUER NOT COOPERATING*	-	1) CARE A4 (03-Nov-21)	1) CARE A4; ISSUER NOT COOPERATING* (16-Oct-20)	1) CARE A4; ISSUER NOT COOPERATING* (05-Sep-19) 2) CARE A4

								(29-May-19)
3	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST*	0.40	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4 (03-Nov-21)	-	-

\*Long term/Short term.

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

**Annexure-5: Lender details**

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

**Note on the complexity levels of the rated instruments:** CARE Ratings 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 us:

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### Disclaimer:

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