

## Parth Motors

August 14, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	4.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated July 12, 2023, placed the rating(s) of Parth Motors (PM) under the 'issuer non-cooperating' category as PM had failed to provide information for monitoring of the rating. PM continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 27, 2024, June 06, 2024, June 16, 2024.

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).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

Please refer to PR dated [July 12, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

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

### About the Firm

PM was formed in the year 2009 by Mr. Rakesh Parmar, proprietor at Dahod, Gujarat. The firm has obtained dealership of Atul Auto Limited, a three-wheeler manufacturer for auto rickshaws and agriculture tractors of Eicher group from Tractors and Farm Equipment Limited (TAFE). PM has a showroom located in Dahod city. The proprietor also manages two other proprietorship firms, namely, 'Parth Auto Finance' (engaged in providing financial assistance for purchase of three wheelers incorporated in April 2015) and 'Kaushik Motors' (engaged in dealership of three wheelers - incorporated in April 2016).

Brief Financials (Rs. crore)	March 31, 2018(A)	March 31, 2019(Prov.)
Total operating income	25.09	31.69
PBILDT	2.73	3.18
PAT	1.75	2.07
Overall gearing (times)	1.96	1.91
Interest coverage (times)	3.46	3.42

A: Audited; Prov.: Provisional; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for 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 various instruments rated:** Annexure-4

<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

**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		-	-	-	4.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	4.00	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (12-Jul-23)	1)CARE B; Stable; ISSUER NOT COOPERATING * (10-Jun-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (19-Apr-21)
2	Non-fund-based - ST-Bank Guarantee	ST	1.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (12-Jul-23)	1)CARE A4; ISSUER NOT COOPERATING * (10-Jun-22)	1)CARE A4; ISSUER NOT COOPERATING * (19-Apr-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of 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](mailto:care@careedge.in) for any clarifications.

## Contact us

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### About us:

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### Disclaimer:

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