

Bhagawati Frontline Motorizer Private Limited

July 26, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	13.80	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	13.80 (₹ Thirteen Crore and Eighty Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 20, 2021, placed the rating(s) of Bhagawati Frontline Motorizer Private Limited (BFMPL) under the 'issuer non-cooperating' category as BFMPL 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. BFMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 05, 2022, April 15, 2022, April 25, 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 [May 20, 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

Bhopal (Madhya Pradesh) based BFMPL was incorporated in June 2016 to take up the dealership of Mahindra & Mahindra (M&M) vehicles and servicing in Singrauli & Sidhi districts of Madhya Pradesh (MP). BFMPL is a part of Gwalior based Bhagawati group which has varied business interests in the state of MP. The group is engaged in dealership of Mahindra & Mahindra and Indo farm tractors through Bhagawati Cools Private Limited and Bhagawati Development Services Private Limited. The group also extends warehousing facilities through Bhagawati Estate Warehouse, Kolaras. BCPL and BDSPL are also engaged in trading of agro-commodities like wheat, potato, soya etc. The group also manages Bhagawati India Motorizer Private Limited which undertakes the dealership of Mahindra & Mahindra (M&M) vehicles and servicing in four districts of Madhya Pradesh (MP) namely Shahdol, Mandla, Dindori and Anuppur. Another group entity named Bhagawati Estate Warehouse, Ashoknagar is also engaged in warehousing and trading of agro-commodities like potatoes and wheat.

Brief Financials (₹ crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	75.19	61.44	NA	NA
PBILDT	3.08	2.06	NA	NA
PAT	0.44	0.39	NA	NA
Overall gearing (times)	5.49	5.91	NA	NA
Interest coverage (times)	1.58	1.74	NA	NA

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

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.

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 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 (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	June, 2024	3.80	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	10.00	CARE B; Stable; 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 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-Term Loan	LT	3.80	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (20-May-21)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (02-Mar-20)
2	Fund-based - LT-Cash Credit	LT	10.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (20-May-21)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (02-Mar-20)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/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-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 has classified instruments rated by it on the basis of complexity. This classification is available at www.careedge.in. 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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