

Raja Motors Bathinda

July 27, 2021

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.63	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	8.63 (Rs. Eight Crore and Sixty-Three Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated June 29, 2020, placed the rating(s) of Raja Motors Bathinda (RMB) under the 'issuer non-cooperating' category as RMB 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. RMB continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 15, 2021, May 25, 2021, June 04, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 [June 29, 2020](#)

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 firm

Punjab-based RMB was established in 2008 by Mr. Om Parkash Makkar, Mr. Rajesh Makkar and Ms. Rupesha Rani as a partnership firm. RMB works as an authorized dealer of personal vehicles for Hyundai Motor India Limited (HMIL) from its own showroom and sells spare parts as well, in Bathinda itself. The associate concerns of RMB include AVC Motors- which operates a dealership of Mahindra & Mahindra for the passenger vehicle and commercial vehicle segments in Bathinda; AVC Motors- Muktsar, which operates a dealership of Mahindra & Mahindra for the passenger vehicle and utility vehicle segments in Muktsar; Raja Motors Sirsa (RMS; CARE B-; Stable/CARE A4; Issuer Not Cooperating) which is an authorised dealer of personal vehicles for HMIL in Sirsa, and Raja Motors (Fatehabad) which is an authorised dealer of personal vehicles for HMIL in Fatehabad.

Brief financials of RMB

Brief Financials (Rs. crore)	2016 (A)	2017 (A)
	62.04	58.00
PBILDT	2.03	2.07
PAT	0.05	0.07
Overall gearing (times)	1.41	1.47
Interest coverage (times)	1.34	1.37

A: Audited

¹Complete definitions of the ratings assigned are available at www.careratings.com and in 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

Complexity level of various instruments rated for this firm: Annexure-3

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	March 2023	0.13	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	6.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft	-	-	-	2.00	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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Term Loan	LT	0.13	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-Jun-20)	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Mar-19) 2)CARE B+; Stable (15-May-18)
2.	Fund-based - LT-Cash Credit	LT	6.50	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-Jun-20)	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Mar-19) 2)CARE B+; Stable (15-May-18)
3.	Fund-based - LT-Bank Overdraft	LT	2.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-Jun-20)	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (29-Mar-19) 2)CARE B+; Stable (15-May-18)

*Issuer did not cooperate; Based on best available information

Annexure 3: Complexity level of various instruments rated for this Firm

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Bank Overdraft	Simple
2.	Fund-based - LT-Cash Credit	Simple
3.	Fund-based - LT-Term Loan	Simple

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.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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