

## Bhagawati India Motorizer Private Limited

July 27, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	15.24	<b>CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
<b>Total Bank Facilities</b>	<b>15.24 (₹ Fifteen Crore and Twenty-Four Lakhs Only)</b>		

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 India Motorizer Private Limited (BIMPL) under the 'issuer non-cooperating' category as BIMPL 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. BIMPL 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).**

The ratings assigned to the bank facilities of BIMPL have been revised on account of non-availability of requisite information. The ratings also consider decline in scale of operations and continued operating losses during in FY20 and FY21.

### 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 or Credit Watch](#)

### About the Company

BIMPL was incorporated in October 2013 to take up the dealership of Mahindra & Mahindra (M&M) vehicles and servicing of auto parts in four districts of Madhya Pradesh (MP) namely Shahdol, Mandla, Dindori and Anuppur. BIMPL is a part of Gwalior based Bhagawati group which has varied business interests in the state of Madhya Pradesh. The group is engaged in dealership of Mahindra & Mahindra and Indo farm tractors through Bhagawati Cools Private Limited (rated CARE CARE B-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING) and Bhagawati Development Services Private Limited (rated CARE B-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING). 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. Another group entity named Bhagawati Estate Warehouse; Ashoknagar is also engaged in warehousing and trading of agrocommodities like potatoes and wheat.

Brief Financials(₹ crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	105.91	87.59	NA	NA
PBILDT	-2.06	-2.21	NA	NA
PAT	0.64	0.62	NA	NA
Overall gearing (times)	3.17	2.44	NA	NA
Interest coverage (times)	NM	NM	NA	NA

A – Audited, prov. – Provisional, NA – Not available, NM – Not meaningful

<sup>1</sup> Complete definition of the ratings assigned are available at [www.careedge.in](http://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	-	-	-	March 2021	1.36	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	11.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	March 2022	0.88	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 (₹ 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	1.36	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	11.00	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)
3	Fund-based - LT-Term Loan	LT	0.88	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)
4	Fund-based - LT-Bank Overdraft	LT	2.00	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-Bank Overdraft	Simple
2	Fund-based - LT-Cash Credit	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 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.

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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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