

Eternal Motors Private Limited

May 31, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3.25	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	8.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	15.25 (Rs. Fifteen Crore and Twenty-Five Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 25, 2021, placed the rating(s) of Eternal Motors Private Limited (EMPL) under the 'issuer non-cooperating' category as EMPL 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. EMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 08, 2022, February 18, 2022, February 28, 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 [March 25, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

Incorporated in 1998, EMPL was promoted by Mr. Subodh Jain & Mrs. Shalini Jain. EMPL is engaged in sale of new cars, used cars, spare parts & accessories and servicing of vehicles, pertaining to MSIL. EMPL manages its operations through 7 showrooms, one premium car showroom under the brand "Nexa" and 10 workshops with 3-S (Sales, Service and Spares) facilities. Further, EMPL was developing one showroom for used cars and Nexa workshop in Bhavnagar.

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	116.46	52.28	NA
PBILDT	6.61	-16.38	NA
PAT	0.43	-20.00	NA
Overall gearing (times)	3.49	-4.28	NA
Interest coverage (times)	1.11	-3.09	NA

A: Audited; Prov.: Provisional; NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Brickwork has moved the ratings assigned to the bank facilities of EMPL to 'Issuer Not Cooperating' category vide press release dated April 04, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	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 2025	3.25	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Cash Credit		-	-	-	8.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.00	CARE D; 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 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	3.25	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (25-Mar-21) 2)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (01-Apr-19)
2	Fund-based - LT/ ST-Cash Credit	LT/ST*	8.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (25-Mar-21) 2)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE BB; Stable / CARE A4+; ISSUER NOT COOPERATING* (01-Apr-19)
3	Non-fund-based - ST-Bank Guarantee	ST	4.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (25-Mar-21) 2)CARE A4; ISSUER NOT COOPERATING* (01-Jul-20)	1)CARE A4+; ISSUER NOT COOPERATING* (01-Apr-19)
4	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (01-Apr-19)
5	Fund-based - LT/ ST-Cash Credit	LT/ST*	-	-	-	-	-	1)Withdrawn (01-Apr-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of covenants of the rated instrument / 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-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Non-fund-based - ST-Bank Guarantee	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. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:

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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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