

Press Release

RBA Finance Private Limited

August 01, 2018

Rating Update



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|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 14.90 Crore. |
| Short Term Rating | ACUITE B+ Issuer not co-operating* |

Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuite has reviewed the short term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 14.90 crore bank facilities of RBA Finance Private Limited (RBAFPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

Non-Banking Finance Entities- <https://www.acuite.in/view-rating-criteria-10.htm>

Default Recognition- <https://www.acuite.in/view-rating-criteria-17.htm>

Financial Ratios and Adjustments- <https://www.acuite.in/view-rating-criteria-20.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

RBA Finance Private Limited was incorporated in 1996, is a Delhi based non-deposit taking Non-Banking Financial company (NBFC –ND) engaged in the business of two and three wheeler vehicle financing. The company is promoted and managed by Mr. Shayam S. Agarwal and has presence in Uttar Pradesh, Rajasthan and Madhya Pradesh.

In FY2017 (provisional), RBA reported Profit after Tax (PAT) of Rs.0.71 crore on Net Interest Income (NII) of Rs.5.64 crore as compared to PAT of Rs. 0.49 crore on NII Rs.4.93 crore in FY2016. The net worth of the company increased from Rs.9.69 crore as on 31 March, 2016 to Rs.10.40 crore as on 31 March, 2017 (Provisional).

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Crore) | Ratings/Outlook |
|-----------------|---------------------------------|-----------|--------------------|-------------------------------|
| May 19, 2017 | Cash Credit | Long Term | 10.00 | ACUITE B+/ Stable (Assigned) |
| | Working Capital Term Loan | Long Term | 4.90 | ACUITE B+/ Stable (Assigned) |
| | Proposed Long Term Loan | Long Term | 5.10 | ACUITE B+/ Stable (Assigned) |
| August 29, 2016 | Cash Credit | Long Term | 10.00 | ACUITE B+/ Stable (Suspended) |
| | Working Capital Term Loan | Long Term | 4.90 | ACUITE B+/ Stable (Suspended) |
| June 11, 2015 | Cash Credit | Long Term | 10.00 | ACUITE B+/ Stable (Assigned) |
| | Working Capital Term Loan | Long Term | 4.90 | ACUITE B+/ Stable (Assigned) |

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|---------------------------|------------------|----------------|----------------|-------------------------------|------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 10.00 | ACUITE B+ Issuer not co-operating* |
| Working Capital Term Loan | Not Applicable | Not Applicable | Not Applicable | 4.90 | ACUITE B+ Issuer not co-operating* |
| Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 5.10 | ACUITE B+ Issuer not co-operating* |

Contacts

| Analytical | Rating Desk |
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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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