Press Release

Hoshiarpur Automobiles (HA)

10 January, 2018

Rating Update

Total Bank Facilities Rated*	Rs.10.95 Cr
Long Term Rating (Indicative)	SMERA BB+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of **'SMERA BB+' (read as SMERA double B plus)** on the ABOVE bank facilities of Hoshiarpur Automobiles (HA). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 SMERA's policies.

Applicable Criteria

- Trading Entities: https://www.smera.in/criteria-trading.htm
- Default Recognition: https://www.smera.in/criteria-default.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Established in 1980, the Punjab based HA headed by Mr. Ajvinder Singh and Mr. Iqbal Singh is an authorized dealer of MSIL. The firm also undertakes sale of second hand cars through true sale channel. The firm owns seven showrooms out of which two on rental basis.

For FY2015-16 (Provisional) the firm reported profit after tax (PAT) of Rs. 1.55 crore on operating income of Rs. 164.84 crore as compared with PAT of Rs. 1.86 crores on operating income of Rs. 152.16 crores for FY2014-15. The company's networth stands at Rs. 9.48 crores as on March 31, 2016 prov. as compared with Rs. 8.80 crores a year earlier.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-October-2016	Cash Credit	Long term	5.95	SMERA BB+/Stable (Reaffirmed)
	Secured Overdraft	Long term	5.00	SMERA BB+/Stable (Assigned)
28-August-2015	Cash Credit	Long term	5.95	SMERA BB+/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
Cash Credit	NA	NA	NA	5.95	SMERA BB+ (Indicative)
Secured Overdraft	NA	NA	NA	5.00	SMERA BB+ (Indicative)

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

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ABOUT SMERA

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