

Press Release

Hoshiarpur Automobiles

July 23, 2021



Rating Update

Total Bank Facilities Rated*	Rs.10.95 Cr.#
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**(**read as ACUITE double B plus**) on the Rs.10.95 crore bank facilities of Hoshiarpur Automobiles(HA). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

HA, incorporated as a partnership firm in 1980 in Hoshiarpur (Punjab), is engaged in automobile trading business. It started its business as an authorised service and spares dealer of Matador vehicles of Bajaj Auto Limited. Subsequently, in 1993, it started its association with MSIL as a Maruti Authorized Service Station. Further, it became an authorised dealer of MSIL in August 2001 and has been since engaged in this business. HA is managed by Mr. Ajvinder Singh, Mr. Gurpreet Singh and Mr. Iqbal Singh. It has seven showrooms in Hoshiarpur and one E-outlet at Singriwala, Garhshankar, Dasuya, Tanda Urmur, Mahilpur, Mukerian, Bullowal and Talwara each. The dealership has been awarded MSIL's 'India No. 1 and Platinum band' consistently. The registered office as well as showrooms of the company is situated at Punjab.

Non-cooperation by the issuer/borrower:

Acuité 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 the due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
29-Apr-2020	Cash Credit	Long Term	5.95	ACUITE BB+ Issuer not co-operating*
	Secured Overdraft	Short Term	5.00	ACUITE BB+ Issuer not co-operating*
05-Mar-2019	Cash Credit	Short Term	4.25	ACUITE BB+ Issuer not co-operating*
	Secured Overdraft	Short Term	4.25	ACUITE BB+ Issuer not co-operating*
10-Jan-2018	Cash Credit	Short Term	4.25	ACUITE BB+ Issuer not co-operating*
	Secured Overdraft	Short Term	4.25	ACUITE BB+ Issuer not co-operating*

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

*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	5.95	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research 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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