

September 01, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	8.00	SMERA B/Stable (Assigned)
Term Loan	1.80	SMERA B/Stable (Assigned)

SMERA has assigned a rating of '**SMERA B' (read as SMERA B)** to the Rs.9.80 crore bank facilities of Fahrenheit Motors Private Limited (FMPL). The outlook is '**Stable**'. The rating is constrained by the firm's short track record of operations, limited geographical presence and exposure to intense competition from dealers of other automobile companies. However, the rating draws support from an experienced management.

Outlook:Stable

SMERA believes FMPL will maintain a moderate business risk profile in the medium term owing to an experienced management. The outlook may be revised to 'Positive' in case the company registers substantial improvement in its scale of operation and working capital management. Conversely, the outlook may be revised to 'Negative' in case of deterioration in the company's capital structure.

Rating sensitivity factors

- Improvement in revenues and profitability
- Efficient working capital cycle

About the Company

FMPL, incorporated in 2014, is a New Delhi-based authorised dealer of iSuzu Motors Limited for four wheelers and spares. The company commenced commercial operations in October 2014 and is headed by Kunal Ramchandani, Partner who possesses 20 years of experience in the car dealership business.

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