



SMERA RATINGS LIMITED

Mahalaxmi Automotives Private Limited (MAPL)

*Rating
Rationale*

December 03, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	5.50	SMERA C (Assigned)
Inventory Funding	17.00	SMERA C (Assigned)
Electronic Dealer Finance (EDF)	23.00	SMERA C (Assigned)
Term Loans	16.70	SMERA C (Assigned)

SMERA has assigned a rating of '**SMERA C**' (read as **SMERA C**) to the above mentioned bank facilities of Mahalaxmi Automotives Private Limited (MAPL). The rating is constrained by delays in servicing of term loan obligations, the below-average financial risk profile marked by high gearing and low coverage indicators. The aforementioned weaknesses are partially offset by an experienced management.

Rating Sensitivity Factors

- Timely servicing of term loan obligations
- Improvement in the financial risk profile

About the Company

MAPL, incorporated in 1997, is a Pune-based authorised dealer for Maruti Suzuki India Limited (MSIL) and Hero MotoCorp (HML). Promoted by Mr. Sadashiv Satav and Mr. Nitin S. Satav, MAPL has nine showrooms, eight workshops, three stockyards and also runs a driving school in Pune. MAPL also has a bus transportation division and has leased out 143 buses to Pune Mahanagar Parivahan Mahamandal Limited (PMPML).

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