Press Release

Mahalaxmi Automotives Private Limited

October 06, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 62.20 Cr.#
Long Term Rating	ACUITE C Issuer not co-operating*

#Refer Annexure for details
**The issuer did not co-operate; based on best available information.*

Rating Rationale

Acuité has reviewed the long-term rating of **'ACUITE C' (read as ACUITE C)** on the Rs. 62.20 crore bank facilities of Mahalaxmi Automotives Private Limited (MAPL). This rating is now an indicative rating and is based on best available information.

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 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-17.htm
- Trading Entities-https://www.acuite.in/view-rating-criteria-6.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 endeavoured 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.

About the Rated Entity:

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).

For FY2014-15, MAPL reported net profit after tax (NPAT) of Rs. 1.14 crore on operating income of Rs. 336.37 crore as compared to net loss of Rs. 2.24 crore on operating income of Rs. 291.24 crore.

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
01-Mar-17	Cash Credit	Long term	5.50	ACUITE C (Indicative)
	Inventory Funding	Long term	17.00	ACUITE C (Indicative)
	Electronic Dealer Finance (EDF)	Long term	23.00	ACUITE C (Indicative)
	Term Loans	Long term	16.70	ACUITE C (Indicative)
03-Dec-15	Cash Credit	Long term	5.50	ACUITE C (Assigned)
	Inventory Funding	Long term	17.00	ACUITE C (Assigned)
	Electronic Dealer Finance (EDF)	Long term	23.00	ACUITE C (Assigned)
	Term Loans	Long term	16.70	ACUITE C (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	3.50	ACUITE C Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE C Issuer not co-operating*
Channel/Dealer/ Vendor Financing	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE C Issuer not co-operating*
Channel/Dealer/ Vendor Financing	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE C Issuer not co-operating*
Channel/Dealer/ Vendor Financing	Not Applicable	Not Applicable	Not Applicable	23.00	ACUITE C Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE C Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	1.52	ACUITE C Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité 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.