

Press Release

Arasu Autos Thiruvarur

November 01, 2018



Rating Update

Total Bank Facilities Rated	Rs. 10.75 Cr. #
Long Term Rating	ACUITE B Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE B**' (**read as ACUITE B**) and short term rating of '**ACUITE A4**' (**read as ACUITE A four**) to the Rs. 10.75 crore bank facilities of Arasu Autos Thiruvarur. 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/criteria-default.htm>
- Entities In Trading Sector - <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-40.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

Arasu Autos - Thiruvarur, established in 2011 is the sole dealer of two wheelers of Bajaj Auto in Thiruvarur, Tamil Nadu. The firm sells two wheelers under the Arasu Bajaj brand name.

For FY2016-17 (Provisional), Arasu Autos - Thiruvarur reported Profit after Tax (PAT) of Rs.0.66 crore on operating income of Rs.28.37 crore compared to PAT of Rs.0.49 crore on operating income of Rs.28.67 crore in FY2015-16. The net worth stood at Rs.1.90 crore as on 31 March, 2017 (Provisional) against Rs.1.82 crore a year earlier

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
23-Sep-2017	Cash Credit	Long Term	5.00	ACUITE B / Stable (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE B / Stable (Reaffirmed)
	Bank Guarantee	Long Term	0.75	ACUITE A4 / (Reaffirmed)
21-Jun-2016	Cash Credit	Long Term	5.00	ACUITE B / Stable (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE B / Stable (Assigned)
	Bank Guarantee	Long Term	0.75	ACUITE A4 / (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B Issuer not co-operating*
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE A4 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.

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