

Press Release

Rani Motors

October 13, 2020



Rating Update

Total Bank Facilities Rated*	Rs. 34.50 Cr. #
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB/ Stable) 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 of Rani Motors to '**ACUITE BB-' (read as Acuité double B minus)** from '**ACUITE BB**' (read as Acuité double B) on the Rs. 34.50 crore bank facilities. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Rani Motors (RM) is an authorised dealer of Maruti Suzuki since 1995. The firm deals in passenger vehicles of Maruti Suzuki through its two showrooms, three retail outlets and two workshops in Shillong (Meghalaya).

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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>
- Financial Ratios And Adjustments – <https://www.acuite.in/view-rating-criteria-53.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.

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)

Not Applicable

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. Crore)	Ratings/Outlook
06-Aug-2019	Inventory Funding	Long Term	9.50	ACUITE BB/Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BB/Stable (Reaffirmed)
	Inventory Funding	Long Term	13.00	ACUITE BB/Stable (Reaffirmed)
30-Jul-2019	Inventory Funding	Long Term	9.50	ACUITE BB/Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BB/Stable (Reaffirmed)
	Inventory Funding	Long Term	5.00	ACUITE BB/Stable (Reaffirmed)
12-Dec-2018	Inventory Funding	Long Term	9.50	ACUITE BB (Indicative)
	Cash Credit	Long Term	7.00	ACUITE BB (Indicative)
	Inventory Funding	Long Term	5.00	ACUITE BB (Indicative)
	Proposed Long Term Loan	Long Term	5.00	ACUITE BB (Indicative)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Inventory Funding	Not Applicable	Not Applicable	Not Applicable	9.50	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB- (Downgraded from ACUITE BB/Stable) Issuer not co-operating*
Inventory Funding	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB- (Downgraded from ACUITE BB/Stable) 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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