

**Press Release**

**Aarson Motors**

**January 11, 2022**



**Rating Reaffirmed and Issuer not co-operating**

| Product                         | Quantum (Rs. Cr) | Long Term Rating                                  | Short Term Rating |
|---------------------------------|------------------|---|-------------------|
| <b>Bank Ratings</b> <b>Loan</b> | 6.00             | ACUITE B+   Reaffirmed   Issuer not co-operating* |                   |
| <b>Total</b>                    | 6.00             | -   | -                 |

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 6.00 crore bank facilities of Aarson Motors (AM). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

**About the Company**

AM is a Chhattisgarh based partnership firm established in 2001 by Mr. Sharad Goel and Ms. Banti Agrawal. The firm is authorized dealer of Hero Moto Corp (Two Wheelers) and also engaged in the sale of accessories, spare parts and servicing of vehicles. The showroom is located at Chhattisgarh. The firm operates through one showroom and three branches. Other than that there at least 7-8 sub-dealers dealing with AM to sell Hero Moto's two-wheelers.

**Non-cooperation by the issuer/borrower:**

Acuite 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. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

**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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite 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 attempts.

**Rating Sensitivity**

"No information provided by the issuer / available for Acuite to comment upon."

**Material Covenants**

Not Applicable

**Liquidity Position**

No information provided by the issuer / available for Acuite to comment upon.

## Outlook

Not Applicable

## Status of non-cooperation with previous CRA

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

## Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

## Rating History

| Date        | Name of Instruments/Facilities | Term      | Amount (Rs. Cr) | Rating/Outlook                       |
|-------------|--------------------------------|-----------|-----------------|--------------------------------------|
| 15 Oct 2020 | Cash Credit                    | Long Term | 4.00            | ACUITE B+ (Issuer not co-operating*) |
|             | Secured Overdraft              | Long Term | 2.00            | ACUITE B+ (Issuer not co-operating*) |
| 24 Jul 2019 | Secured Overdraft              | Long Term | 2.00            | ACUITE B+ (Issuer not co-operating*) |
|             | Cash Credit                    | Long Term | 4.00            | ACUITE B+ (Issuer not co-operating*) |
| 22 May 2018 | Cash Credit                    | Long Term | 4.00            | ACUITE B+   Stable (Assigned)        |
|             | Secured Overdraft              | Long Term | 2.00            | ACUITE B+   Stable (Assigned)        |

## Annexure - Details of instruments rated

| Lender's Name        | ISIN           | Facilities  | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating  |
|----------------------|----------------|-------------|------------------|----------------|----------------|-------------------|---|
| Punjab National Bank | Not Applicable | Cash Credit | Not Applicable   | Not Applicable | Not Applicable | 4.00              | ACUITE B+   Reaffirmed   Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Overdraft   | Not Applicable   | Not Applicable | Not Applicable | 2.00              | ACUITE B+   Reaffirmed   Issuer not co-operating* |

## Contacts

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|---|--|
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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 8,850 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 Kanjurmarg, Mumbai.

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