

Press Release
Bellad and Company

May 02, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.90	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	35.01	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	35.91	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed short term rating to '**ACUITE A4**' (read as **ACUITE A4**) on the Rs.35.91 crore bank facilities of Bellad and Company (B&C). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Established in 1965, B&C is a partnership firm engaged in dealership of various automobiles products for Hero Moto Company, Hyundai, Swaraj Tractors and Class Harvesters. The firm is led by Mr. Arvind C Bellad and Mrs. Smriti A Bellad. The firm has showrooms in Hubli, Dharwad, Mudhol, Badami, Haveri and Gokak.

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.

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 - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuité 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>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Jan 2021	Proposed Bank Facility	Long Term	6.12	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Inventory Funding	Long Term	9.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.90	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.70	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.05	ACUITE BB- (Downgraded and Issuer not co-operating*)

	Term Loan	Long Term	0.73	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.13	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.03	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	11.25	ACUITE BB- (Downgraded and Issuer not co-operating*)
05 Nov 2019	Term Loan	Long Term	0.73	ACUITE BB Negative (Reaffirmed)
	Bank Guarantee	Short Term	0.90	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	0.03	ACUITE BB Negative (Reaffirmed)
	Term Loan	Long Term	1.05	ACUITE BB Negative (Reaffirmed)
	Inventory Funding	Long Term	9.00	ACUITE BB Negative (Reaffirmed)
	Term Loan	Long Term	0.13	ACUITE BB Negative (Reaffirmed)
	Cash Credit	Long Term	11.25	ACUITE BB Negative (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE BB Negative (Reaffirmed)
	Proposed Bank Facility	Long Term	6.12	ACUITE BB Negative (Reaffirmed)
	Term Loan	Long Term	0.42	ACUITE BB (Withdrawn)
	Term Loan	Long Term	1.70	ACUITE BB Negative (Assigned)
16 Nov 2018	Inventory Funding	Long Term	9.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.42	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.49	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	2.91	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.15	ACUITE BB Stable (Assigned)
		Long		
	Term Loan	Term	0.07	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	15.25	ACUITE BB Stable (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	1.40	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	0.22	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.90	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.25	ACUITE B+ Downgraded Issuer not co-operating*
Axis Bank	Not Applicable	Inventory Funding	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE B+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	6.12	ACUITE B+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	1.05	ACUITE B+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	1.70	ACUITE B+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	0.73	ACUITE B+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	0.13	ACUITE B+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	0.03	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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