

Press Release

Tejpal Motors Private Limited

February 10, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-/Stable, Indicative)

Refer Annexure for details

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

Acuite has reviewed and downgraded the long term rating to **'ACUITE B+' (read as ACUITE B plus)** from **'ACUITE BB-' (read as ACUITE double B minus)** on the Rs. 10.00 crore bank facilities of Tejpal Motors Private Limited (TMPL). This rating is now an indicative rating and is on best available information.

TMPL, incorporated in 1995, is managed by Mr. Kamalsingh Ailsinghani and his nephew, Mr. Tejpal Ailsinghani. The company is an authorised dealer for Tata motors Limited (TML) for their entire range of commercial vehicles in Navsari and Vapi districts (Gujarat) and in Silvassa (UT Dadra and Nagar Haveli). It has 8 outlets across the districts. In 2014-15, the company also entered into dealership of passenger vehicles for Honda Motors Co. Limited (HMCL) with three showrooms at Thane, Kalyan and Dombivli (Mumbai) under the name of Regent Honda.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.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). Acuite endeavored 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.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuite 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
15-Jan-2019	Inventory Funding	Long Term	10.00	ACUITE BB-/Stable (Assigned)

#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	10.00	ACUITE B+ Downgraded; Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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