

Press Release

Prime Movers Auto Associates Private Limited

February 01, 2021

Rating Update



Total Bank Facilities Rated*	Rs.44.25 Cr. #
Long Term Rating	ACUITE BBB- Issuer not co-operating*
Short Term Rating	ACUITE A3 Issuer not co-operating*

Refer Annexure for details`

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

Acuité has reviewed the long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) the short term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.44.25 crore bank facilities of Prime Movers Auto Associates Private Limited. The rating is now an indicative rating and is based on the best available information.

Prime Movers Auto Associates Private Limited was incorporated in 1986 by Mr. Nand Lal Kothari for carrying out the business of distributorship of auto components. The company currently deals with the principals such as Maruti Suzuki India Limited, Mahindra & Mahindra Limited, Tata Motors Limited, Federal Moughul, Mahindra Sona Limited and Hindustan Composites Limited (Rated ACUITE A-/Stable/A2+), among others. The day to day operations is headed by Mr. Nand Lal Kothari and his son, Mr. Ajay Kothari.

Incorporated in 2011 and promoted by Mr. Nand Lal Kothari and his son, Mr. Mr. Ajay Kothari, Prime Movers Auto Agency Private Limited is a Kolkata based company engaged in distributorship of the auto components such as small, light and medium commercial vehicles, grease, coolants, brake oil, accessories and durafit products for Tata Motors Limited.

Analytical Approach

Acuité has considered the consolidated business and financial risk profiles of Prime Movers Auto Agency Private Limited and Prime Movers Auto Associated Private Limited to arrive at this rating. The consolidation is on account of common promoters and similar line of business. Prime Auto Associated holds 99 per cent stake in Prime Auto Agency. The group is herein referred to as the 'Prime group.' Extent of Consolidation: Full.

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>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing entities - <https://www.acuite.in/view-rating-criteria-59.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, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

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

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

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
20-Mar-2019	Proposed Cash Credit	Long Term	25.75	ACUITE BBB-/Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB-/Stable (Assigned)
	Channel Finance	Long Term	4.50	ACUITE BBB-/Stable (Assigned)
	Proposed facilities	Short Term	4.00	ACUITE A3 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.75	ACUITE BBB-Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BBB-Issuer not co-operating*
Channel Finance	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE BBB-Issuer not co-operating*
Proposed facilities	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A3 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 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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