



## Press Release

Prime Movers Auto Associates Private Limited  
April 22, 2024

### Rating Reaffirmed and Issuer not co-operating

| Product                               | Quantum<br>(Rs. Cr) | Long Term Rating                                      | Short Term Rating                                     |
|---------------------------------------|---------------------|---|---|
| Bank Loan Ratings                     | 49.95               | ACUITE BB+   Reaffirmed  <br>Issuer not co-operating* | -   |
| Bank Loan Ratings                     | 6.30                | -   | ACUITE A4+   Reaffirmed  <br>Issuer not co-operating* |
| Total Outstanding<br>Quantum (Rs. Cr) | 56.25               | -   | -   |

### Rating Rationale

ACUITE has reaffirmed the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.56.25 Cr. bank facilities of Prime Movers Auto Associates Private Limited.

This rating is now flagged as issuer not cooperating on account of information risk and is based on best available information

### About the Company

Incorporated in 1986 by Mr. Nand Lal Kothari, Prime Movers Auto Associates Pvt Ltd is a Kolkata based company engaged in the business of distributorship of auto components. Mr. Nand Lal Kothari has a rich experience of ~45 years of dealing with auto components. Currently, the day to day operations is headed by his son Mr. Ajay Kothari. The company currently deals with the principal of Maruti Suzuki, Mahindra & Mahindra, Tata Motors Ltd, Mahindra Sona Limited, Hindustan Composites Limited and many more. It has its physical presence at 14 locations in West Bengal and 2 locations at Guwahati.

### About the Group

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 the distribution of the auto components for Tata Motors limited for small, light and medium commercial vehicles (grease, coolants, brake oil, accessories and durafit products).

### Unsupported Rating

Not Applicable

### 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. Acuite 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 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 has 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.

**Rating Sensitivities**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

| Particulars                   | Unit    | FY 22 (Actual) | FY 21 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 157.82         | 152.20         |
| PAT                           | Rs. Cr. | 1.80           | 1.65           |
| PAT Margin                    | (%)     | 1.14           | 1.08           |
| Total Debt/Tangible Net Worth | Times   | 2.30           | 2.53           |
| PBDIT/Interest                | Times   | 1.64           | 1.41           |

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities      | Term       | Amount (Rs. Cr) | Rating/Outlook                                      |
|-------------|-------------------------------------|------------|-----------------|---|
| 23 Jan 2023 | Covid Emergency Line.               | Long Term  | 1.86            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Cash Credit                         | Long Term  | 13.50           | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Cash Credit                         | Long Term  | 3.00            | ACUITE BB+   Stable (Assigned)                      |
|             | Covid Emergency Line.               | Long Term  | 3.59            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Channel/Dealer/Vendor Financing     | Long Term  | 4.50            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Covid Emergency Line.               | Long Term  | 0.55            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Working Capital Demand Loan (WC DL) | Long Term  | 10.00           | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Covid Emergency Line.               | Long Term  | 2.94            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Proposed Long Term Bank Facility    | Long Term  | 1.01            | ACUITE BB+   Stable (Reaffirmed)                    |
|             | Cash Credit                         | Long Term  | 9.00            | ACUITE BB+   Stable (Assigned)                      |
|             | Bank Guarantee (BLR)                | Short Term | 4.80            | ACUITE A4+ (Reaffirmed)                             |
|             | Bank Guarantee (BLR)                | Short Term | 1.50            | ACUITE A4+ (Reaffirmed)                             |
| 25 Oct 2021 | Proposed Short Term Bank Facility   | Short Term | 4.00            | ACUITE A4+ (Downgraded & Issuer not co-operating*)  |
|             | Channel/Dealer/Vendor Financing     | Long Term  | 4.50            | ACUITE BB+ (Downgraded & Issuer not co-operating*)  |
|             | Cash Credit                         | Long Term  | 10.00           | ACUITE BB+ (Downgraded & Issuer not co-operating*)  |
|             | Proposed Cash Credit                | Long Term  | 25.75           | ACUITE BB+ (Downgraded & Issuer not co-operating*)  |
| 01 Feb 2021 | Cash Credit                         | Long Term  | 10.00           | ACUITE BBB- (Reaffirmed & Issuer not co-operating*) |
|             | Channel/Dealer/Vendor Financing     | Long Term  | 4.50            | ACUITE BBB- (Reaffirmed & Issuer not co-operating*) |
|             | Proposed Cash Credit                | Long Term  | 25.75           | ACUITE BBB- (Reaffirmed & Issuer not co-operating*) |
|             | Proposed Short Term Bank Facility   | Short Term | 4.00            | ACUITE A3 (Reaffirmed & Issuer not co-operating*)   |

## Annexure - Details of instruments rated

| Lender's Name                       | ISIN                 | Facilities                      | Date Of Issuance     | Coupon Rate          | Maturity Date        | Complexity Level | Quantum (Rs. Cr.) | Rating   |
|-------------------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|------------------|-------------------|--|
| ICICI Bank Ltd                      | Not avl. / Not appl. | Bank Guarantee (BLR)            | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 1.50              | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| Bank of Baroda                      | Not avl. / Not appl. | Bank Guarantee (BLR)            | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 4.80              | ACUITE A4+   Reaffirmed   Issuer not co-operating* |
| ICICI Bank Ltd                      | Not avl. / Not appl. | Cash Credit                     | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 16.50             | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| Bank of Baroda                      | Not avl. / Not appl. | Cash Credit                     | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 9.00              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| Axis Bank                           | Not avl. / Not appl. | Channel/Dealer/Vendor Financing | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 4.50              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| Axis Bank                           | Not avl. / Not appl. | Covid Emergency Line.           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 0.55              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| ICICI Bank Ltd                      | Not avl. / Not appl. | Covid Emergency Line.           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 3.59              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| TATA Capital Financial Service Ltd. | Not avl. / Not appl. | Covid Emergency Line.           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 2.94              | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| Bank of Baroda                      | Not avl. / Not appl. | Covid Emergency Line.           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 1.86              | ACUITE BB+   Reaffirmed   Issuer not co-           |

|                                     |                      |                                     |                      |                      |                      |        |       |  |
|-------------------------------------|----------------------|-------------------------------------|----------------------|----------------------|----------------------|--------|-------|--|
|                                     |                      |                                     |                      |                      |                      |        |       | operating*   |
| Not Applicable                      | Not avl. / Not appl. | Proposed Long Term Bank Facility    | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 1.01  | ACUITE BB+   Reaffirmed   Issuer not co-operating* |
| TATA Capital Financial Service Ltd. | Not avl. / Not appl. | Working Capital Demand Loan (WC DL) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 10.00 | ACUITE BB+   Reaffirmed   Issuer not co-operating* |

**\*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

1. Prime Movers Auto Associates Private Limited.
2. Prime Movers Auto Agency Private Limited.

## Contacts

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|---|--|
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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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