

Press Release

Vijay Automobiles

November 09, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 14.00 Cr. #
Long Term Rating	ACUITE BB Downgraded & Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs.14.00 crore bank facilities of Vijay Automobiles. This rating is now an indicative rating and is downgraded on account of information risk.

Alwar-based, Vijay Automobiles was established in 1972 by the Late Mr. Jagdish Prasad Agarwal and Mr. Vijay Agarwal. Mr. Vijay Agarwal is still associated with the firm. The firm is engaged in the trading of automobile ancillary parts of commercial vehicles in Alwar, Jaipur, Kota, and Bikaner areas of Rajasthan. Vijay Automobiles is an authorised dealer of Tata Motors Automobile ancillary parts and currently, it has acquired a new business from Tata Motors for the supply of vehicles on road spare parts.

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

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

BRICKWORKS, vide its press release dated 25th June 2020 had denoted the rating of VIJAY AUTOMOBILES as 'BB (ISSUER NOT COOPERATING)' on account of lack of adequate information required for monitoring of ratings.

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23-Aug-2019	Cash Credit	Long Term	14.00	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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.00	ACUITE BB Downgraded & Issuer not co-operating*

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

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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 8,409 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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