



Press Release
HEM AGENCIES MUMBAI
December 11, 2025
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.16	ACUITE C Downgraded	-
Bank Loan Ratings	38.34	ACUITE D Downgraded	-
Total Outstanding Quantum (Rs. Cr)	43.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE BB-**' (read as **ACUITE Double B minus**) on the Rs. 38.34 Cr. bank facilities of Hem Agencies Mumbai (HAM).

Acuite has also downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB-**' (read as **ACUITE Double B minus**) on proposed long term bank facilities of Rs. 5.16 Cr. of Hem Agencies Mumbai (HAM).

Rationale of Rating Downgrade

The downgrade is on account of delays in servicing of debt obligations by Hem Agencies Mumbai (HAM) as confirmed by its banker through a written communication along with reported delays in debt servicing as reflected in term loan account statements of the firm.

About the Company

Incorporated In 2018, Mumbai, Maharashtra based Hem Agencies Mumbai (HAM) is a partnership firm. The firm is engaged in trading and servicing of two-wheeler vehicles and is an authorised dealer of Honda two-wheelers. Mr. Bipin Kantilal Shah, Mr. Hemant Kantilal Shah, Mr. Ishan Bipin Shah and Mr. Ashank Hemant Shah are partners in the firm.

Unsupported Rating

Not applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of Hem Agencies Mumbai (HAM).

Key Rating Drivers

Strengths

Established track record of operation and experienced management

Hem Agencies Mumbai (HAM) is a part of the HEM Group, which was founded in 1912. HEM group has acquired various dealerships over the years including TVS motors co., Tata motors, etc. Mr. Bipin Kantilal Shah and Mr. Hemant Kantilal Shah started with the automobiles business in 1983 with TVS motors Co. and further expanded with several esteemed brands.

HAM has the authorised dealership of Honda two-wheelers. and is managed by Mr. Bipin Kantilal Shah, Mr. Hemant Kantilal Shah, Mr. Ishan Bipin Shah and Mr. Ashank Hemant Shah.

Weaknesses

Instance of delay and irregularities account conduct

There are instances of delays in debt-servicing on term loan obligation by the firm have been reported in the month of August, September , October and November 2025 as per the term loan account statements of the firm and written communication from the lender.

Rating Sensitivities

- Timely servicing of debt obligations

Liquidity Position

Poor

The liquidity position of the firm is marked poor on account of instance of delay in servicing of term loan obligation as per term loan statements and banker's written feedback.

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Provisional)	FY 23 (Actual)
Operating Income	Rs. Cr.	72.66	125.90
PAT	Rs. Cr.	0.62	1.32
PAT Margin	(%)	0.86	1.05
Total Debt/Tangible Net Worth	Times	1.98	2.59
PBDIT/Interest	Times	1.44	1.59

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

Not Applicable

Any other information

None

Applicable Criteria

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Oct 2024	Cash Credit	Long Term	33.50	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	0.96	ACUITE BB- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	5.16	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	3.88	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	33.50	Simple	ACUITE D Downgraded (from ACUITE BB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.16	Simple	ACUITE C Downgraded (from ACUITE BB-)
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	18 Aug 2021	Not avl. / Not appl.	17 Aug 2028	3.88	Simple	ACUITE D Downgraded (from ACUITE BB-)
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Term Loan	18 Aug 2021	Not avl. / Not appl.	17 Aug 2025	0.96	Simple	ACUITE D Downgraded (from ACUITE BB-)

Contacts

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About Acuité Ratings & Research

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