

RATING RATIONALE

10 Mar 2020

Ashishta Motors

Brickwork Ratings revises the ratings for the Bank Loan Facilities of ₹6.88 Crores of Ashishta Motors based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous Apr 2018	Present
Fund based	6.88	6.88	Long Term	BWR B (Stable)	BWR B- (Stable) (Downgrade) Issuer Not Cooperating*
Total	6.88	6.88	INR Six Crores and Eighty Eight Lakhs Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

Details of Bank facilities is provided in Annexure-I&II

RATING ACTION

In view of the non-availability of the information and lack of cooperation from the issuer, Brickwork Ratings has downgraded the rating to ‘BWR B-/Stable, Issuer Not Cooperating’, for the bank loan facilities amounting to Rs. 6.88 Crores of Ashishta Motors

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in April, 2019. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the firm has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm’s financial performance and its ability to service its debt and maintain a valid rating. Hence, based on best

available information, the rating is downgraded and migrated to the Issuer Not Cooperating* category.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 2016	FY 2017
Result Type		Audited	Audited
Operating Revenue	Crore	18.64	28.02
EBITDA	Crore	0.17	0.18
PAT	Crore	0.10	0.11
Tangible Net Worth	Crore	0.93	1.53
Total Debt / Tangible Net Worth	Times	4.35	4.67
Current Ratio	Times	0.65	5.63

COMPANY PROFILE

Ashishta Motors is a Partnership firm established in July 2011. The firm is a dealer for both Passenger and Commercial Vehicles in the districts of Sivagangai, Ramanathapuram and Virudhunagar. The partners of the firm are Mr. K Somasumdaram and Mrs. S Radha.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY

Facilities	Current Rating			Rating History		
	Tenure	Amount (₹ Cr)	Rating	Jul 2019	Apr 2018	2017
Fund Based	Long Term	6.88	BWR B- (Stable) (Downgrade) Issuer Not Cooperating *	Rating Not Reviewed	BWR B (Stable)	-
Total		6.88	INR Six Crores and Eighty Eight Lakhs Only			

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [Approach to Financial Ratios](#)
- [General Criteria](#)

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ANNEXURE I

Ashishta Motors

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	Federal Bank	Cash Credit	3.00	-	3.00
2.		Overdraft (E-DFS)	1.20	-	1.20
3.		Term Loans	2.68	-	2.68
TOTAL					6.88

Total Rupees Six Crores and Eighty Eight Lakhs only.

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