



Ref. No.: MAL/SECTT/2015-16/
Date: 23.10.2015

To
Bombay Stock Exchange Limited (BSE)
Phiroze Jeejee bhoy Tower,
Dalal Street,
Mumbai-400001.

SUBJECT: CREDIT RATINGS

Dear Sir,

Pursuant to clause 36 of the Listing Agreement, we hereby wish to inform you that ICRA has reaffirmed the rating of the Company BBB on the long term scale and A2 for short term bank facilities. (Copy enclosed)

Thanking You

Yours Sincerely,
For Majestic Auto Limited


(Rajesh Saini)
Company Secretary

Encls: As above

CIN No. L35911PB1973PLC003264

C-48, Focal Point,
Ludhiana: 141 010, Punjab, India,
Tel: +91 161 2670233- 37, Fax: +91 161 2672790,
E-mail: info@heromajestic.com, www.heromajestic.com
An ISO/TS 16949: 2002, ISO 9001/ 2000 & ISO 14001 Company



Ref: D/RAT/2015-16/M-91/2

Date: October 20, 2015

Mr. M.C.Munjal
Managing Director
Majestic Auto Limited
C-48, Focal Point, Ludhiana
Punjab- 141010

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 50.0 crore of **Majestic Auto Limited**
(instrument details in *Annexure*)

As you are aware that in terms of the mandate letter/ rating agreement received from its clients, ICRA is required to review all its ratings, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has reaffirmed the rating of the captioned LOC at **[ICRA]BBB** (pronounced ICRA triple B) on the long term scale †. Outlook on the long-term rating is “**Stable**”. The committee has also reaffirmed the rating for short term bank facilities of the company at **[ICRA]A2** (pronounced ICRA A two).

The aforesaid ratings are valid till August 31, 2016.

The ratings are specific to the terms and conditions of the LOC as indicated to us by you, and any change in the terms or size of the same would require a review of the ratings by us. In case there is any change in the terms and conditions or the size of the rated LOC, the same must be brought to our notice before the facility is used by you. In the event such changes occur after the ratings have been assigned by us and their use has been confirmed by you, the ratings would be subject to our review, following which there could be a change in the ratings previously assigned.

ICRA reserves the right to suspend, withdraw, or revise the above ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the ratings assigned.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Debt instruments issued by you. If the programme rated as above, is not drawn by you within a period of two months from the date of the letter communicating the rating, the same would stand withdrawn unless revalidated before expiry of the two months.

You are required to furnish a quarterly statement (in the format enclosed) confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility].

† For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications

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You are also required to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

With regards,

Yours sincerely,
for ICRA Limited


Anupama Arora
(Vice President)


Sandhya Negi
(Analyst)



Format for quarterly undertaking

[To be sent every quarter to ICRA Limited by email and fax]

“The company has been regular in servicing all its principal and interest obligations in a timely manner and there has not been any delay or default (a missed or delayed payment in breach of the agreed terms of the issue) during the past six months. We also confirm that there has been no re-schedulement in regard to any of company’s debt obligations. We also confirm that there has been no overdrawal of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.”



Annexure-1

Details of the bank limits of Majestic Auto Limited rated by ICRA

Name of Bank	Facility	Amount	Rating	Assigned on
CATHOLIC SYRIAN BANK	Term Loan	9.50	[ICRA]BBB(stable)	October 19, 2015
IDBI	Term Loan	6.28	[ICRA]BBB(stable)	October 19, 2015
CANARA BANK	Cash Credit	5.00	[ICRA]BBB(stable)	October 19, 2015
PUNJAB NATIONAL BANK	Cash Credit	6.75	[ICRA]BBB(stable)	October 19, 2015
IDBI BANK LTD	Cash Credit	1.50	[ICRA]BBB(stable)	October 19, 2015
HDFC BANK	Cash Credit	0.75	[ICRA]BBB(stable)	October 19, 2015
YES BANK	Cash Credit	1.00	[ICRA]BBB(stable)	October 19, 2015
CANARA BANK	LC/BG	2.00	[ICRA]A2	October 19, 2015
PUNJAB NATIONAL BANK	LC/BG	0.25	[ICRA]A2	October 19, 2015
IDBI BANK LTD	LC/BG	3.00	[ICRA]A2	October 19, 2015
YES BANK	LC/BG	9.00	[ICRA]A2	October 19, 2015
<i>Unallocated</i>		4.97	[ICRA]BBB(stable)	October 19, 2015
Total		50.00		