# Hira Automobiles Limited

## November 20, 2026

### Rating Action

| Total Bank Loan Facilities Rated | Rs. 56.12 Crore | Regulator^ |
|---|---|---|
| Long Term Rating | IVR C/Negative; ISSUER NOT COOPERATING* (Rating Downgraded; and continued under ISSUER NOT COOPERATING category) | RBI |
| ^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available. | | |

** Issuer did not cooperate; Based on best available information*

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

**Note:** *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

### Rationale

Infomerics Ratings has downgraded the long-term rating of Hira Automobiles Limited (HAL) and continued under ISSUER NOT COOPERATING (INC) category with negative outlook. This is because of decline in revenue and profitability metrices in the 2nd Quarter of FY27. The Negative outlook is due to lack of adequate information from the company and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy "Policy on Issuer not cooperating" available at www.infomerics.com.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Key Financial Indicators and Rating sensitivities: Click here. Infomerics is unable to provide the latest information because of non-cooperation by the entity.

**Outlook: Negative**

Outlook is negative due to Information availability risk

## Analytical Approach

| Approach | Comments |
|---|---|
| Consolidation/ Standalone | Standalone |
| Parent/ Group Support | Not Applicable |

## About the Company

HAL was Incorporated in July 1989, Punjab-based and is promoted by Smt. Rajinder Kaur Bhattal (ex – Chief Minister of Punjab), Mr. Hardev Kaur, Mr. Rahulinder Singh Sidhu, Simran Bajwa and Manjeet Kaur Sangha. The company is an authorised dealer of Maruti Suzuki India Limited (MSIL) and operates twelve showroom (sales outlets) and eleven workshops located across multiple locations of Punjab. It deals in diverse products of passenger cars and used cars. Further, the company also derives income from after sales service, sale of the spare-parts coupled with income in the form of performance-based incentives and discounts from MSIL, insurance income, etc. It has more than three decades of experience in the automobile – trading segment. Long experience of HAL promoters and its established track record of operations strengthens the operational risk profile of the company. The company's day-to-day operations are looked after by Mr. Rahulinder Singh Sidhu (Managing Director) and Mrs. Neha Sidhu (Director) along with a team of experienced professionals.

## Applicable Criteria

Rating Methodology for Trading Companies

Financial Ratios & Implication

Criteria of assigning Rating Outlook

Policy on Default Recognition

Complexity Level of Rated Instruments

Policy on Issuer Not Cooperating

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

## Rating History for last three years

| Sr. No. | Instruments/ Facilities | Current Ratings (Year 2026-27) | | | | | Rating History for the past 3 years | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Type (Long Term/Short Term) | Amount outstanding (Rs. Crore) | Rating | | | Date(s) & Rating(s) assigned in 2025-26 | Date(s) & Rating(s) assigned in 2024-25 | Date(s) & Rating(s) assigned in in 2023-24 |
| | | | | | August 24, 2026 | May 15, 2026 | -- | March 17, 2025 | February 16, 2024 |
| 1. | Fund Based | LT | 56.12 | IVR C/ Negative; ISSUER NOT COOPERATING* | IVR B-/ Negative; ISSUER NOT COOPERATING* | IVR B/ Negative; ISSUER NOT COOPERATING* | -- | IVR B+/ Negative; ISSUER NOT COOPERATING* | IVR BB-/ Stable |

**Issuer did not cooperate; based on best available information*

## Annexure 1: Instrument/Facility Details

| Name of Facility/ /Security | ISIN | Date of Issuance | Coupon Rate/ IRR | Maturity Date | Size of Facility (Rs. Crore) | Rating Assigned/ Outlook | Listing Status | Regulator^ | Complexity Indicator |
|---|---|---|---|---|---|---|---|---|---|
| Term Loan -1 | -- | -- | -- | Feb 2027# | 2.00 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |
| Term Loan-2 | -- | -- | -- | Aug 2029# | 1.05 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |
| Term Loan -3 | -- | -- | -- | Sep 2028# | 5.87 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |
| Cash Credit | -- | -- | -- | -- | 34.70 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |
| Inventory Funding -1 | -- | -- | -- | -- | 7.50 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |
| Inventory Funding -2 | -- | -- | -- | -- | 5.00 | IVR C/ Negative; ISSUER NOT COOPERATING* | NA | RBI | Simple |

**Issuer did not cooperate; based on best available information*

*#Latest maturity details not available*

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

**Annexure 2: Facility wise lender details:** Not Applicable

**Annexure 3: Detailed explanation of covenants of the rated Security/facilities:** Not Applicable

**Annexure 4: List of companies considered for Consolidated/Combined analysis:** Not Applicable

**Annexure 5: List of activities / instruments and names of regulators:**

| Sr. No. | Instrument / activity Name | Regulator of the instruments |
|---|---|---|
| 1 | Listed/Proposed to be listed bonds/debentures/preference share (all securities) | SEBI |
| 2 | Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities) | MCA |
| 3 | Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $ | RBI |
| 4 | Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)* | SEBI |
| 5 | Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)* | RBI |
| 6 | Listed Commercial Paper and NCDs with original maturity less than 1 year | RBI |
| 7 | Unlisted Commercial Paper and NCDs with original maturity less than 1 year | RBI |
| 8 | Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^ | RBI |
| 9 | External Commercial Borrowings and other similar borrowings | RBI |
| 10 | Certificates of Deposit | RBI |
| 11a | Fixed Deposits raised by NBFCs, HFCs, FIs | RBI |
| 11b | Fixed Deposits raised by Banks | + |
| 12 | Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs | MCA |
| 13 | Inter Corporate Deposits/Loans extended by Corporates | MCA |
| 14 | Borrowing programme ~ | - |
| 15 | Issuer Ratings # | - |
| 16 | Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs) | SEBI |
| 17 | Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs | SEBI |
| 18 | Listed Security Receipts $ | RBI |
| 19 | Unlisted Security Receipts | RBI |
| 20 | Independent Credit Evaluation (ICE) | RBI |
| 21 | Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis) | + |
| 22 | Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities)) | SEBI |
| 23 | Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)) | MCA |
| 24 | Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) * | Investor-side regulator such as IRDAI, PFRDA @ |

***Footnotes:***

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

*~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.*

*^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.*

*# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.*

*@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.*

*$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.*

*+ To be finalized following a discussion with the regulatory authorities.*

***Note:** For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.*


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