

December 21, 2023

Sarawagi Automobiles Private Limited : Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Unallocated	0.88	0.88	[ICRA]B (Stable); ISSUER NOT COOPERATING *; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	7.50	7.50	[ICRA]B (Stable); ISSUER NOT COOPERATING *; Rating continues to remain under 'Issuer Not Cooperating' category
Total	8.38	8.38	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term rating of Sarawagi Automobiles Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B (Stable); ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Sarawagi Automobiles Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

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

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Automobile Dealers Rating Methodology - Commercial Vehicles
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

SAPL was incorporated in May 2009 and is engaged in the dealership of small, light and intermediate commercial vehicles of Tata Motors Limited (TML) for the entire district of Sri Ganganagar and Hanumangarh of Rajasthan. Presently, the company

has 3S facilities at Sri Ganganagar & Hanumangarh district and 1S facilities at Suratgarh, Raisinghnagar, Anoopgarh, Nohar and Bhadra. The company sells entirely to the retail customers however in rare cases also sells to sub-dealers.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	14.04	18.72
PAT (Rs. crore)	0.11	0.15
OPBDITA/OI (%)	2.16%	2.63%
PAT/OI (%)	0.77%	0.78%
Total Outside Liabilities/Tangible Net Worth (times)	1.31	1.76
Total Debt/OPBDITA (times)	5.44	4.38
Interest Coverage (times)	2.44	1.97

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortisation.

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021	
					Dec 21 , 2023	Oct 27, 2022	Sep 09, 2021	July 28, 2020	
1.	Unallocated	Long Term	0.88	-	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	
2.	Fund Based – Cash Credit	Long Term	7.50	-	[ICRA]B (Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term – Unallocated Limits	Not Applicable
Long Term – Fund Based – Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](https://www.icra.in)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term – Unallocated Limits	-	-	-	0.88	[ICRA]B (Stable);ISSUER NOT COOPERATING
NA	Long Term – Fund Based – Cash Credit	-	-	-	7.50	[ICRA]B (Stable);ISSUER NOT COOPERATING

Source: Sarawagi Automobiles Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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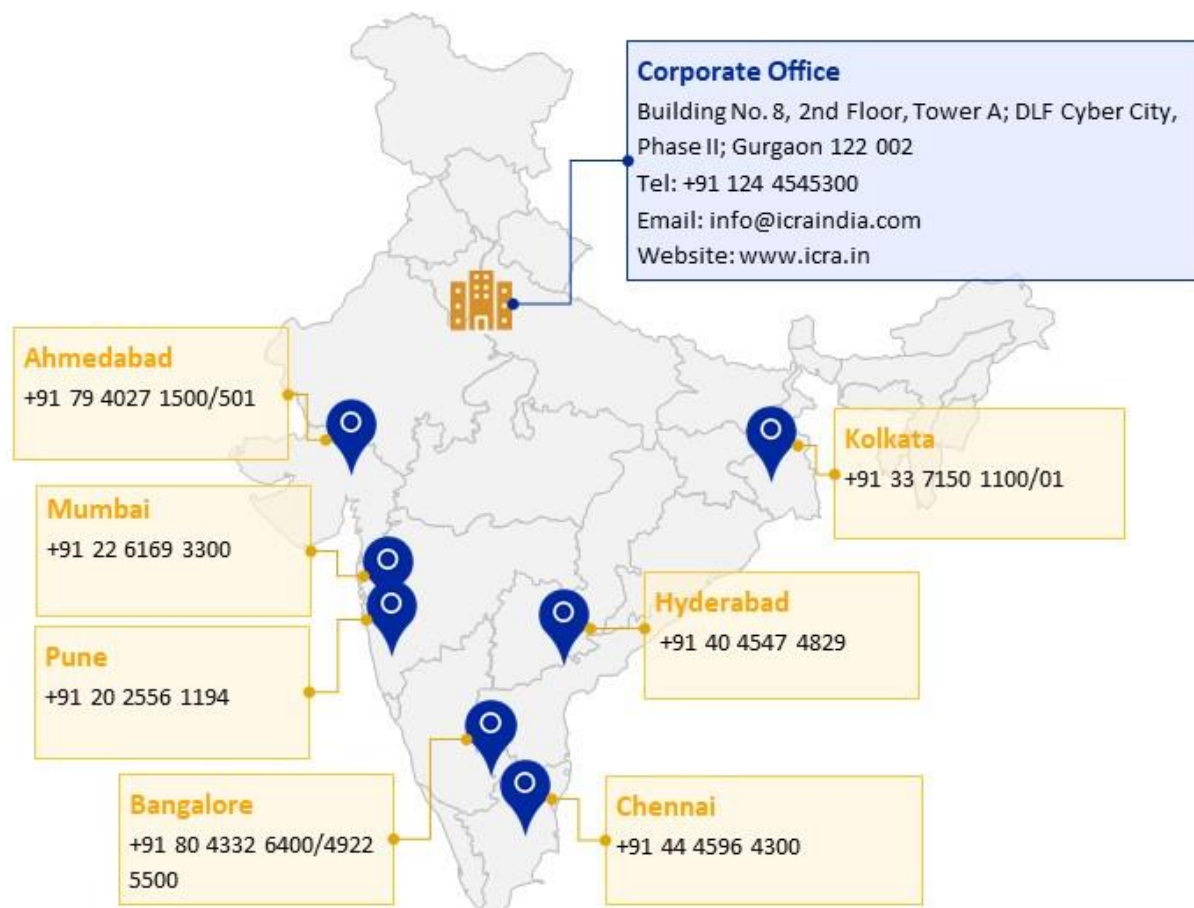


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