

February 13, 2020

Sarvesh Cars and Motors Private Limited: Rating Continues to remain under Issuer Non-Cooperating category

Summary of Rated Instrument

Instruments	Previous Rated Amount (Rs. Crore)	Current Rated Amount (Rs. Crore)	Rating Action
Long term-Unallocated	8.90	8.90	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
Long Term- Term Loan	3.57	3.57	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
Total	12.47	12.47	

*Issuer did not co-operate; based on best available information

Rationale

The ratings for the Rs. 12.47 -crore bank facilities of Sarvesh Cars and Motors Private Limited (SCMPL) Continues to remain under 'Issuer Not Cooperating' category'. The Long term ratings are denoted as "[ICRA]B+(Stable) ISSUER NOT COOPERATING" (pronounced ICRA B plus with stable outlook Issuer Not Cooperating).

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation / Standalone	The ratings are based on Standalone financial profile of the company.

About the company

Incorporated in 2009 by Mr. B. Gnanaprakash and his wife Ms. Ashwini, Sarvesh Cars and Motors Private Limited ("SCMPL") is an authorized dealer for Ford India Private Limited, for Vellore, Kanchipuram, Tiruvannamalai and Pondicherry regions. In addition to new models, SCMPL also sells spare parts, accessories and provides service to passenger cars in Vellore.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key Financial Indicator

Fiscal	FY2018 (Audited)	FY2019 (Audited)
Operating Income (Rs. Crore)	49.3	52.0
PAT (Rs. Crore)	0.3	0.5
OPBIT/ OI (%)	6.7%	7.3%
RoCE (%)	12.1%	12.5%
Total Debt/ TNW (times)	9.1	5.6
Total Debt/ OPBDIT (times)	4.7	4.8
Interest coverage (times)	2.2	2.1
NWC/ OI (%)	13.3%	15.0%

Source: MCA Site

Rating history for past three years

S. No.	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					13-Feb-2020	30-Nov-2018	4-May-2017	-
1	Unallocated	Long Term	8.90	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable)	-
2	Term Loan	Long Term	3.57	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable)	-

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

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