

March 23, 2020

Adishakti Cars Private Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund Based Limit (Cash Credit)	6.10	6.10	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn
Long-term- Unallocated	1.40	1.40	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn
Total	7.50	7.50	

*Instrument details are provided in [Annexure-1](#)

Rationale

The Long-term rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension, as desired by Adishakti Cars Private Limited. and based on the no objection certificate provided by its banker. ICRA does not have any information to suggest that the credit risk has changed since the time the rating was last reviewed.

Key rating drivers and their description

The key rating drivers have not been captured as the rated instrument(s) are being withdrawn.

Liquidity position: Liquidity position has not been captured as the rated instruments are being withdrawn.

Rating sensitivities: Rating sensitivities have not been captured as the rated instruments are being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Adishakti Cars Private Limited (ACPL) was set up in 2008 at Shimoga, Karnataka as a 3-S (sales, service and spares) dealership of Tata Motors Limited (TML) passenger cars. The company currently operates from three places – Shimoga, Davangere and Sagara in Karnataka and offers complete solution, i.e. sales, service, spares, accessories and finance for TML passenger car customers under single roof. ACPL is a part of Shakti Group of Companies which comprises of Shakti Enterprises, authorised stockist for Hero Honda spare parts, Shakti Automart, authorised distributor for Maruti Suzuki genuine spares in Karnataka and Shakti Cars Private Limited, authorised dealer of Toyota Cars in Shimoga, Karnataka.

Key financial indicators:

	FY2018	FY2019
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	(Audited)	(Audited)
Operating Income (Rs. crore)	55.2	123.1
PAT (Rs. crore)	0.8	0.5
OPBDITA/OI (%)	3.7%	3.0%
RoCE (%)	12.9%	13.2%

Total Outside Liabilities/Tangible Net Worth (times)	2.5	5.4
Total Debt/OPBDITA (times)	6.2	6.7
Interest Coverage (times)	2.7	1.5
DSCR	2.5	1.4

Source: MCA Site

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

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
					23-Mar-20	30-Dec-19			
1	Cash Credit	Long Term	6.10	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)
2	Unallocated	Long Term	1.40	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable); ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)

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

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	6.10	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn

NA	Unallocated	NA	NA	NA	1.40	[ICRA]B+(Stable) ISSUER NOT COOPERATING; Withdrawn
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Source: Adishakti Cars Private Limited

Analyst Contacts

Ravichandran K

+91 44 4596 4301

ravichandran@icraindia.com

Srinivasan R

+91 44 4596 4315

r.srinivasan@icraindia.com

Sahabuddin Khan

+91 033 7150 1129

sahabuddin.khan@icraindia.com

Sruthi Vinesh

+91 080 4922 5513

sruthi.vinesh@icraindia.com

Relationship Contact

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

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ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

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