



Press Release

SAGAR AUTOTECH PRIVATE LIMITED

May 26, 2023

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.04	ACUITE D Downgraded Issuer not co-operating*	-
Bank Loan Ratings	1.25	-	ACUITE D Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	9.29	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE D' (read as ACUITE D)**' from '**ACUITE C' (read as ACUITE C)**' and the short term rating to '**ACUITE D' (read as ACUITE D)**' from '**ACUITE A4' (read as ACUITE A four)**' on the Rs.6.79 crore bank facilities of Sagar Autotech Private Limited. The rating continues to be flagged as "Issue Not Cooperating". The downgrade is on the account of the suit filed against the company as mentioned in the defaulter list published by CIBIL.

About the Company

Sagar Autotech Private Limited (SAPL) was incorporated on 25th August 2009. Mr. Tehseen Khan & Ms. Pooja Premchandani are the Directors of the company and the same is engaged in operating authorized dealership of passenger cars manufactured by SKODA. Sagar Autotech Private Limited (SAPL) was awarded the dealership of Skoda in 2009 and started its operations with a 3S facility in Bhopal, Jabalpur and Mysore. It has its registered office located in Bhopal, Madhya Pradesh. From December 2014, the operations of Mysore division is reported separately in Sagar Autotech (Mysore) Private Limited due to taxation and statutory compliances.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants
Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook: Not Applicable**Key Financials**

No information provided by the issuer / available for Acuité to comment upon

Status of non-cooperation with previous CRA

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.a

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jul 2022	Cash Credit	Long Term	7.00	ACUITE C (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.94	ACUITE C (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.10	ACUITE C (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.25	ACUITE A4 (Issuer not co-operating*)
10 Jun 2022	Cash Credit	Long Term	7.00	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	0.10	ACUITE B+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.25	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	0.94	ACUITE B+ (Issuer not co-operating*)
12 Mar 2021	Term Loan	Long Term	0.10	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.94	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.25	ACUITE A4 (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	1.25	ACUITE D Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE D Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.10	ACUITE D Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.94	ACUITE D Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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