

## Press Release

Sumer Sons Autotech Private Limited

December 23, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.80	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	0.20	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	16.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE B**' (read as **ACUITE B**) and reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 16.00 crore bank facilities of Sumer Sons Auto Tech Private Limited (SSAPL).

The rating is downgraded is on account of information risk required for review of ratings. The rating continues to be an indicative rating and is based on the best available information. The downgrade is on the basis of publicly available information that has reported about the ongoing delays in their repayments

### About the Company

Sumer Sons Auto Tech Private Limited (SSAPL) was established in 2012 by Mr. Sanjeev Jain. The company is an authorised dealer for Ashok Leyland's entire range of commercial vehicles including LCV, HCV, ICV and MCVs. SSAPL, in 2013, started the LC division and currently operates from its 10,000 square yard showroom (sales, service, and spares) at Agra.

### 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 notcooperating", 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.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statement despite repeated requests.

### Rating Sensitivity

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Status of non-cooperation with previous CRA

None

### Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

### Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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, Acuite 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](http://www.acuite.in)

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Jun 2022	Inventory Funding	Long Term	8.00	ACUITE B ( Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Long Term	1.80	ACUITE B ( Issuer not co-operating*)
	Bank Guarantee	Short Term	0.20	ACUITE A4 ( Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE B ( Issuer not co-operating*)
	Bank Guarantee	Short Term	0.20	ACUITE A4 (Issuer not co-operating*)

30 Mar 2021	Proposed Working Capital Demand Loan	Long Term	1.80	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE B (Issuer not co-operating*)
	Inventory Funding	Long Term	8.00	ACUITE B (Issuer not co-operating*)
06 Jan 2020	Bank Guarantee	Short Term	0.20	ACUITE A4 (Issuer not co-operating*)
	Inventory Funding	Long Term	8.00	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE B (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Long Term	1.80	ACUITE B (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
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	0.20	ACUITE A4   Reaffirmed   Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE C   Downgraded   Issuer not co-operating*
TATA Capital Financial Service Ltd.	Not Applicable	Inventory Funding	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE C   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	Simple	1.80	ACUITE C   Downgraded   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a>  Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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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