

Press Release

Tanya Automobiles Private Limited

January 03, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	17.00	ACUITE BB- Downgraded Issuer not co-operating*	
Total	17.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to 'ACUITE BB-' (read as ACUITE double B minus) from 'ACUITE BB' (read as ACUITE double B) on the Rs. 17.00 crore bank facilities of Tanya Automobile Private Limited (TAPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

The Meerut-based, TAPL was incorporated by the Garg family in 1995. The company is an authorized car dealer for Maruti Suzuki and has two own showrooms. It also runs service a center, a training school for Maruti Suzuki.

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 non-cooperation by the issuer along with an 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

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

Status of non-cooperation with previous CRA

TAPL's rating was flagged off as Issuer not cooperating with brickwork, through its rating rationale dated November 11th, 2019. The reason provided by brickwork is non-furnishing of information by TAPL.

Any other information

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Oct 2020	Term Loan	Long Term	0.21	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	12.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	3.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.79	ACUITE BB (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	1.00	ACUITE BB (Downgraded and Issuer not co-operating*)
01 Aug 2019	Term Loan	Long Term	0.21	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Secured Overdraft	Long Term	3.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	12.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Proposed Bank Facility	Long Term	0.79	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Secured Overdraft	Long Term	1.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
24 Jun 2019	Cash Credit	Long Term	12.00	ACUITE BB Stable (Reaffirmed)
	Secured Overdraft	Long Term	3.00	ACUITE BB Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.00	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	0.79	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	0.21	ACUITE BB Stable (Reaffirmed)

12 Sep 2018	Proposed Bank Facility	Long Term	0.79	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.21	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Punjab National Bank	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Punjab National Bank	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.79	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	0.21	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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