



**Press Release**  
**SHIVAM MOTORS PRIVATE LIMITED**  
**July 18, 2025**  
**Rating Downgraded, Reaffirmed and Upgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	32.66	ACUITE C   Reaffirmed	-
Bank Loan Ratings	5.25	ACUITE C   Upgraded	-
Bank Loan Ratings	12.75	ACUITE D   Downgraded	-
Bank Loan Ratings	6.50	-	ACUITE A4   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	57.16	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuité has downgraded its long-term rating to '**ACUITE D' (read as ACUITE Df)** from '**ACUITE C' (read as ACUITE C)** on Rs.12.75 Cr. bank facilities of Shivam Motors Private Limited (SMPL).

Additionally, Acuité has also upgraded its long-term rating to '**ACUITE C' (read as ACUITE Cf)** from '**ACUITE D' (read as ACUITE D)** on Rs.5.25 Cr. bank facilities of Shivam Motors Private Limited (SMPL).

Further, Acuité has reaffirmed its long-term to '**ACUITE C' (read as ACUITE C)** and short-term rating to '**ACUITE A4' (read as ACUITE A four)** on Rs.39.16 Cr. bank facilities of Shivam Motors Private Limited (SMPL).

**Rationale for Rating**

The rating downgrade considers the past overdrawings in the working capital facility for over 30 days as reflected in the bank statements and written feedback received from the banker. Further, the rating upgrade factors in the completion of the curing period for dealys reflected in the WCDL facility. However, the rating also takes cognizance of the delays observed in the CRIF report in the recent past.

**About the Company**

Incorporated in 1983, Shivam Motors Private Limited (SMPL) is an authorised dealer of commercial vehicles of Tata Motors in Chhattisgarh. It operates five 3S and four 1S showroom across Chhattisgarh region. The company is promoted by Mr Kailash Gupta, Mrs Rekha Gupta and Mr. Mukesh Kumar Shrivastava. In addition to sale of vehicles and spare parts, the company provides a broad portfolio of value-added services including hire-purchase, insurance, registration, refinance, annual maintenance contracts and reconditioned engines. SMPL has also set up body building unit including tip trailer which is operational since FY2013.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuité has considered the standalone business and financial risk profile of SMPL while arriving at the rating.

## **Key Rating Drivers**

### **Strengths**

**Experienced management and established relationships with Tata Motors**

SMPL has over three decades of operational track record in auto dealership industry. Further, the promoter, Mr. Kailash Chand Gupta has over five decades of experience in automobiles and manufacturing of truck and bus bodies. The extensive experience of the management has helped the company to establish long-term relations with the Tata Motors. Their strong relationship with Tata Motors has also helped the company to build strong reputation in the market. Acuité believes that the long operational track record of SMPL, promoters' extensive understanding and expertise and established relationship with Tata Motors will benefit the company going forward, resulting in steady growth in the scale of operations.

### **Weaknesses**

#### **Instances of delays in servicing of debt obligation**

There were overdrawings in the CC limit during the month of October and November 2024 over 30 days. Further there are delays observed in the CRIF report during the month of May 2025.

### **Rating Sensitivities**

Timely servicing of debt obligations

#### **Liquidity Position**

##### **Poor**

Liquidity position of the company is poor as there have been instances of delays in servicing of debt obligations in recent past.

### **Outlook: Not Applicable**

#### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	326.86	271.92
PAT	Rs. Cr.	0.77	3.35
PAT Margin	(%)	0.24	1.23
Total Debt/Tangible Net Worth	Times	1.53	1.32
PBDIT/Interest	Times	1.36	1.61

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- 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>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.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. Acuité'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
25 Jun 2025	Channel/Dealer/Vendor Financing	Short Term	6.50	ACUITE A4 (Downgraded from ACUITE A4+)
	Cash Credit	Long Term	12.75	ACUITE C (Downgraded from ACUITE BB   Stable)
	Cash Credit	Long Term	5.00	ACUITE C (Downgraded from ACUITE BB   Stable)
	Cash Credit	Long Term	15.00	ACUITE C (Downgraded from ACUITE BB   Stable)
	Term Loan	Long Term	3.35	ACUITE C (Downgraded from ACUITE BB   Stable)
	Term Loan	Long Term	5.15	ACUITE C (Downgraded from ACUITE BB   Stable)
	Covid Emergency Line.	Long Term	2.83	ACUITE C (Downgraded from ACUITE BB   Stable)
	Covid Emergency Line.	Long Term	1.33	ACUITE C (Downgraded from ACUITE BB   Stable)
	Working Capital Demand Loan (WCDL)	Long Term	5.25	ACUITE D (Downgraded from ACUITE BB   Stable)
25 Nov 2024	Channel/Dealer/Vendor Financing	Short Term	6.50	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	12.75	ACUITE BB   Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB   Stable (Reaffirmed)
	Term Loan	Long Term	3.35	ACUITE BB   Stable (Reaffirmed)
	Term Loan	Long Term	5.15	ACUITE BB   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	2.25	ACUITE BB   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	3.00	ACUITE BB   Stable (Assigned)
	Covid Emergency Line.	Long Term	2.83	ACUITE BB   Stable (Assigned)
	Covid Emergency Line.	Long Term	1.33	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BB   Stable (Assigned)
06 Oct 2023	Channel/Dealer/Vendor Financing	Short Term	5.50	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	12.75	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	13.88	ACUITE BB   Stable (Assigned)
	Term Loan	Long Term	11.72	ACUITE BB   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	1.15	ACUITE BB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C   Reaffirmed
Bank of Maharashtra	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.75	Simple	ACUITE D   Downgraded ( from ACUITE C )
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE C   Reaffirmed
State Bank of India	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.50	Simple	ACUITE A4   Reaffirmed
Tata Motors Finance Solutions Ltd.	Not avl. / Not appl.	Covid Emergency Line.	28 Aug 2021	Not avl. / Not appl.	28 Aug 2026	2.83	Simple	ACUITE C   Reaffirmed
Tata Motors Finance Solutions Ltd.	Not avl. / Not appl.	Covid Emergency Line.	17 Jan 2022	Not avl. / Not appl.	17 Jan 2028	1.33	Simple	ACUITE C   Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	05 Jan 2021	Not avl. / Not appl.	31 Dec 2025	3.35	Simple	ACUITE C   Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	30 Mar 2023	Not avl. / Not appl.	31 Mar 2029	5.15	Simple	ACUITE C   Reaffirmed
Bank of Maharashtra	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.25	Simple	ACUITE C   Upgraded ( from ACUITE D )

## Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	<b>Contact details exclusively for investors and lenders</b>
Akshat Shah Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.