



Press Release
SHREE AUTOMOTIVE PRIVATE LIMITED
January 08, 2026
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	106.00	ACUITE BBB- Stable Assigned	-
Bank Loan Ratings	83.00	ACUITE BBB- Stable Reaffirmed	-
Bank Loan Ratings	58.00	-	ACUITE A3 Assigned
Bank Loan Ratings	105.00	-	ACUITE A3 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	352.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term bank '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.188 Cr. bank facilities of Shree Automotive Private Limited (SAPL). The outlook is '**Stable**'.

Acuite has assigned its long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term bank '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.164 Cr. bank facilities of Shree Automotive Private Limited (SAPL). The outlook is '**Stable**'.

Rationale for Rating

The rating factors in the extensive experience of the management and established track record of operations in the automobile industry for more than three decades. Also, the improvement in the scale of operations which stood at Rs.800.21 Crore in FY25 against Rs.759.40 Crore in FY24 with slight improvement in the margins which stood at 4.65% in FY25 against 4.06% in FY24. along with moderate financial risk profile exhibited by comfortable gearing and debt protection metrics has been taken into consideration. However, the strengths are partly offset by the intensive working capital operations marked by moderate inventory and debtor days.

About the Company

Shree Automotive Private Limited (formerly Shree Automobiles Private Limited) was set up in February 2000, by Mr. Sharad Kumar Kedia and his family, based in Kolkata; it acquired the current name in 2009. The company is an authorized dealer for Commercial Vehicles manufactured by Ashok Leyland, passenger vehicles and CVs of Mahindra & Mahindra in various districts of West Bengal. Mr. Saurabh Kedia, Ms. Sarita Kedia, Mr. Sharad Kumar Kedia and Mr. Abhishek Kedia are the present directors of the company.

Unsupported Rating

Not applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of SAPL to arrive at

Key Rating Drivers

Strengths

Experienced management and established track record of operations

SAPL has an established position as an auto dealer, with experience of over 25 years. It has extensive presence in various districts of West Bengal. It is the dealer for Ashok Leyland Ltd (ALL) vehicles and Mahindra & Mahindra. The directors of the company are Mr. Saurabh Kedia, Ms. Sarita Kedia, Mr. Sharad Kumar Kedia and Mr. Abhishek Kedia.

Acuite believes the SAPL will maintain its established position in the auto dealership business, driven by its healthy position in CV and PV dealership in West Bengal near to medium term. Going forward, company will continue to benefit from the promoter's experience.

Improvement in scale of operations

The company has witnessed an improvement in the operations of the company wherein the revenue of SAPL stood at Rs.800.21 Crore in FY25 against Rs.759.40 Crore in FY24 and the EBITDA margins of the company has shown slight improvement stood at 4.65% in FY25 against 4.06% in FY24. The improvement in revenue and EBITDA margins is mainly due to the increase in the sales of spares and services of the vehicles. Also, the PAT Margins of SAPL stood at 0.69% in FY25 against 0.52% in FY24. The company has already achieved sales Rs.464.09 Crore in last six months ended September 2025. Going forward, Acuite believes that increasing demand for passenger and commercial vehicles along with revenue derived from segments including workshop income, sale of spares and accessories shall continue to support the revenue and profitability of SAPL to an extent and the company will sustain revenues at healthy levels in near to medium term.

Moderate financial risk profile

The financial risk profile of the company is moderate marked by net-worth of Rs.80.23 Crore as on 31st March 2025 against Rs.74.69 Crore as on 31st March 2024. The increase in the net-worth is due to accumulation of profits into reserves. Further, the total debt of the company stood at Rs.274.24 Crore as on 31st March 2025 against Rs.231.13 Crore as on 31st March 2024. In results, the gearing of the company has shown slight deterioration which stood at 3.42 times as on 31st March 2025 against 3.09 as on 31st March 2024. The coverage indicators of the company reflected by interest service coverage ratio and debt service coverage ratio which stood at 1.38 times and 1.13 times respectively as on 31st March 2025 against 1.27 times and 1.03 times respectively as on 31st March 2024. TOL/TNW of the company stood at 3.49 times in FY25 against 3.22 times in FY24. Acuite believes that the financial risk profile of the company is expected to improve in near to medium term in the absence of any debt funded capex in near to medium term.

Weaknesses

Intensive Working capital operations

The working capital management of the company is intensive marked by GCA days of 146 days in FY25 as against 133 days in FY24. Inventory days of the company stood at 83 days in FY25 as against 70 days for FY24 and debtor days in FY25 are 56 days, compared to 55 days in FY24. The fact that most cars are financed by banks and that the loan processing takes time contributes to the moderate debtor days. Generally, the company uses EDFS facility offered by banks to purchase the automobile, in which the dealer has to pay upfront to the OEM. As a result, the reliance of working capital limits in the form of EDFS is reflected by higher dependence on the external borrowing resulted into average utilization of around ~92.91 percent in last 06 months ended November 2025. Acuite expects that the working capital operations of the company will remain at similar levels and will be key monitorable in near to medium term.

Low operating profitability

As a dealer of vehicles manufactured by original equipment manufacturers, SAPL has no control over vehicle prices, which limits its ability to improve operating profitability. Furthermore, the company is also engaged in the sales of spares and servicing of vehicles,

which is contributing almost 22.93% of the total revenue and it is expected to be increased in near to medium term, which will help company to fetch better margins in near to medium term. Acuite believes SAPL's profitability margin may improve over the medium term.

Rating Sensitivities

- Movement in the scale of operations and margins.
- Movement in working capital operations.

Liquidity Position Adequate

The liquidity position of the company is adequate. The company has generated net cash accruals of Rs.7.98 Crore as on 31st March 2025 against the debt repayment obligation of Rs.4.00 Crore in the same period. The current ratio of the company stood at 1.28 times as on March 31, 2025 against 1.33 times as on March 31, 2023. The unencumbered cash and bank balance of the company stood at Rs.2.37 Crore as on March 31, 2025. Further, the average fund based bank limit utilization is at 92.91% and non-fund based bank limit utilization is at 62.50% for the 6 months' period ending November 2025. Acuite believes that going forward the company will maintain adequate liquidity position due to steady accruals.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	800.21	759.40
PAT	Rs. Cr.	5.53	3.95
PAT Margin	(%)	0.69	0.52
Total Debt/Tangible Net Worth	Times	3.42	3.09
PBDIT/Interest	Times	1.38	1.27

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, 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 Oct 2024	Channel/Dealer/Vendor Financing	Short Term	10.00	ACUITE A3 (Assigned)
	Channel/Dealer/Vendor Financing	Short Term	64.50	ACUITE A3 (Assigned)
	Channel/Dealer/Vendor Financing	Short Term	19.50	ACUITE A3 (Assigned)
	Channel/Dealer/Vendor Financing	Short Term	1.00	ACUITE A3 (Assigned)
	Channel/Dealer/Vendor Financing	Short Term	10.00	ACUITE A3 (Assigned)
	Inventory Funding	Long Term	5.00	ACUITE BBB- Stable (Assigned)
	Working Capital Demand Loan (WC DL)	Long Term	63.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB- 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
INDUSIND BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.00	Simple	ACUITE A3 Assigned
BANK OF INDIA (BOI)	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A3 Assigned
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 BBB- Stable Reaffirmed
BANK OF INDIA (BOI)	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	60.00	Simple	ACUITE BBB- Stable Assigned
INDUSIND BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3 Reaffirmed
RBL Bank	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.50	Simple	ACUITE A3 Reaffirmed
RBL Bank	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A3 Reaffirmed
AXIS BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3 Reaffirmed
Bank Of Baroda	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	64.50	Simple	ACUITE A3 Reaffirmed
INDUSIND BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3 Assigned
Unity Small Finance Bank Limited	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A3 Assigned
H D F C Bank Limited	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE A3 Assigned
YES BANK LIMITED	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE A3 Assigned
	Not			Not	Not			

YES BANK LIMITED	avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	avl. / Not appl.	avl. / Not appl.	1.00	Simple	ACUITE A3 Assigned
Punjab National Bank	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE A3 Assigned
H D F C Bank Limited	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB- Stable Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	ACUITE BBB- Stable Assigned
SG Finserve Limited	Not avl. / Not appl.	Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3 Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	23.00	Simple	ACUITE BBB- Stable Assigned
INDUSIND BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	63.00	Simple	ACUITE BBB- Stable Reaffirmed
INDUSIND BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB- Stable Assigned

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Siddharth Garg Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticsupport@acuite.in

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