

Sanghi Brothers (Indore) Private Limited

July 09, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	82.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	19.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated April 21, 2023, placed the rating(s) of Sanghi Brothers (Indore) Private Limited (SBPL) under the 'issuer non-cooperating' category as SBPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SBPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 06, 2024, March 16, 2024, March 26, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 21, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the company

SBPL was incorporated in the year 1950 by Late Shri Sohanlal G Sanghi. SBPL is the authorized dealer of TATA Motors Limited (TML) for Indore and Bhopal territory of Madhya Pradesh (MP) state since 1954. Overall operations of the company are looked after by the Chairman and Managing Director, Mr Sharad Kumar Sanghi. Apart from its flagship automobile dealership business, SBPL is also engaged in sale of spare parts, travel services and operating its metal division & renewable energy (wind mill) division.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	678.23	919.91
PBILDT	-3.37	14.35
PAT	4.02	4.54
Overall gearing (times)	3.97	4.58
Interest coverage (times)	NM	0.70

A: Audited, NM: Not Meaningful; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of SBIPL into Issuer Not Cooperating category vide press release dated June 20, 2023 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2023	8.79	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2018	0.21	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2021	2.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits		-	-	-	71.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	19.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	8.79	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Mar-22)
2	Non-fund-based - ST-BG/LC	ST	19.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (10-Mar-22)
3	Fund-based - LT-Working Capital Limits	LT	71.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Mar-22)
4	Fund-based - LT-Term Loan	LT	0.21	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Mar-22)
5	Fund-based - LT-Term Loan	LT	2.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (21-Apr-23)	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Mar-22)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working Capital Limits	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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