

## Matsya Automobiles Limited

December 16, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term / Short Term Bank Facilities	15.00	<b>CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B ; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable / CARE A4; (Single B Plus ; Outlook: Stable / A Four)
Short Term Bank Facilities	76.50	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>91.50 (Rs. Ninety-One Crore and Fifty Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 31, 2020, placed the rating(s) of Matsya Automobiles Limited (MAL) under the 'issuer non-cooperating' category as MAL 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. MAL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 16, 2021, November 26, 2021, December 06, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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).***

The ratings assigned to the bank facilities of MAL have been revised on account of non-availability of requisite information. The rating also considers the decline in scale of operations as well as profitability in FY20 compared to FY19.

### Detailed description of the key rating drivers

Please refer to PR dated [December 31, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

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

### About the Company

MAL was incorporated in 1992 by Mr Ganga Deen Gupta and his family members to commence automobile dealership business. Since inception, the company is an authorized dealer of TML for heavy commercial vehicles. The company currently operates 2 sales, service and spare (3s) outlet at Alwar and Behror and 5 sale outlets across 5 districts of Rajasthan. The company is also an authorized dealer of Case for construction equipment and KIPL for material handling equipment.

Brief financials of MAL:

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	H1FY22(Prov.)
Total operating income	277.74	NA	NA
PBILDT	7.90	NA	NA
PAT	0.17	NA	NA
Overall gearing (times)	4.15	NA	NA
Interest coverage (times)	1.06	NA	NA

*A: Audited, Prov.: Provisional, NA: Not available*

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

**Status of non-cooperation with previous CRA:** CRISIL has suspended the ratings assigned to the bank facilities of MAL vide press release dated November 15, 2016 on account of non-cooperation by MAL with CRISIL's efforts to undertake a review of the ratings outstanding.

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Please refer Annexure-3

**Complexity level of various instruments rated for this firm:** Please refer Annexure-4

#### Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT/ ST-Cash Credit	-	-	-	-	15.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Limits	-	-	-	-	76.50	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument /Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT/ ST-Cash Credit	LT/ ST	15.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (31-Dec-20)	1)CARE BB-; Stable / CARE A4 (24-Dec-19)	1)CARE BB-; Stable / CARE A4 (06-Dec-18)
2	Fund-based - ST-Working Capital Limits	ST	76.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (31-Dec-20)	1)CARE A4 (24-Dec-19)	1)CARE A4 (06-Dec-18)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not applicable

#### Annexure-4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT/ ST-Cash Credit	Simple
2	Fund-based - ST-Working Capital Limits	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careedge.in](http://www.careedge.in). Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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### About CARE Ratings Limited:

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