

City Cars (A Unit of Agarwal Wheels Pvt. Ltd.)

March 27, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	10.85	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.50	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 January 12, 2023, placed the rating(s) of City Cars (A Unit of Agarwal Wheels Pvt. Ltd.) (CCUOAWPL) under the 'issuer non-cooperating' category as CCUOAWPL 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. CCUOAWPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 28, 2023, December 08, 2023, December 18, 2023.

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 [January 12, 2023](#)

Applicable criteria

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

[Policy on Default Recognition](#)

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

About the Company

Established in 2008, City Cars (A Unit of Agarwal Wheels Private Limited) (CIN - U51909WB2008PTC129278) is an authorized dealer of Maruti Suzuki India Limited which operates with eleven showrooms (including one NEXA and one TRUEVALUE) in Madhya Pradesh out of which three showrooms are located in Satna and one each in Rewa, Mauganj, Sidhi, Sidhauli, Waidhan, Maihar, Chitrakoot and Panna. Except for Maihar, all these showrooms have workshop as well. The overall operation of the company is managed by Mr. Neeraj Agarwal, Mr. Naval Agarwal and Ms. Kusum Agarwal. City Cars is the part of Satna based, Agarwal Group dealing in dealership business for more than two decades via other group entities i.e. Agarwal Motors (A Unit of Concord Tie-up Pvt. Ltd.), Agarwal Sales, Agarwal Auto & Care Pvt. Ltd. and Ventron Tradlink Pvt. Ltd.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	181.82	211.48
PBILDT	4.63	5.02
PAT	1.32	1.46
Overall gearing (times)	1.50	1.82
Interest coverage (times)	2.95	3.04

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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

Covenants of the rated instruments/facilities: Detailed explanation of the 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/ ST-Working Capital Limits		-	-	-	9.85	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Purchase Invoice Financing		-	-	-	5.50	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	1.00	CARE BB-; Stable / 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 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT/ ST-Working Capital Limits	LT/ST	9.85	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (12-Jan-23)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (20-Oct-21)	1)CARE BB; Stable / CARE A4 (19-Oct-20)
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	1.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (12-Jan-23)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (20-Oct-21)	1)CARE BB; Stable / CARE A4 (19-Oct-20)
3	Fund-based - ST-Purchase Invoice Financing	ST	5.50	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (12-Jan-23)	1)CARE A4; ISSUER NOT COOPERATING * (20-Oct-21)	1)CARE A4 (19-Oct-20)

*Issuer did not cooperate; based on best available information; ST: Short term; LT/ST: Long term/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/ ST-Working Capital Limits	Simple
2	Fund-based - ST-Purchase Invoice Financing	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	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

Media Contact	Analytical Contacts
Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in
Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: 91 22 6754 3404 E-mail: saikat.roy@careedge.in	Foram Prakashchandra Dave Analyst CARE Ratings Limited Phone: 079-40265687 E-mail: foram.dave@careedge.in Riddhi Virenkumar Shah Associate Analyst CARE Ratings Limited E-mail: riddhi.shah@careedge.in

About us:

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