

Autoriders International Limited

September 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	30.00 (Enhanced from 14.00)	CARE BB+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of the rating reflects stable operational and financial performance of Autoriders International Limited (AIL) in FY25 and Q1 FY26 and CARE Ratings Limited's (CareEdge Ratings') expectations of sustained performance in the medium term driven by its long association with reputed customers and extensive experience of promoters. The company's revenue from operations grew by ~4% YoY to Rs. 87.07 crore in FY25 driven by increase in the fleet size and expanding geographical presence. Its profitability remained healthy with PBILDT margin sustaining above 25% over the last 4 years and is expected to remain healthy over the coming years. The rating continues to favourably factors in AIL's comfortable capital structure as indicated by TOL/TNW of 0.81x as on Mar 31, 2025, despite a moderate net worth of Rs. 49.51 crore, reflecting limited reliance on external borrowings. It continues to maintain adequate debt coverage metrics with PBILDT interest cover expected to remain above 8x over the coming years. CareEdge Ratings also notes the increase in AIL's share capital by Rs. 8.99 crore in FY25 following the preferential allotment of equity shares to support the operations of the company. The rating is, however, constrained by AIL's moderate scale of operations and intense competition in the industry with presence of both organized and unorganized players. The rating is also tempered by a sizeable contingent liability of Rs. 14.58 crore (29% of net worth) from the Income Tax department (under appeal from the company) and an overdue receivable of Rs. 3 crore from a defunct related entity, any materialisation of which, could significantly impact AIL's financial risk profile and remains a key monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operations with total operating income exceeding Rs. 100 crore while sustaining healthy PBILDT margin
- Resolution of contingent liabilities without any material financial implication for the company.

Negative factors

- Decline in revenue and/or deterioration in PBILDT margin below 18% on a sustained basis
- Deterioration in the debt coverage indicators with interest coverage ratio below 3.5x and total debt to GCA exceeding 5x on a sustained basis.
- Deterioration in working capital cycle beyond 90 days on a sustained basis

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectation that AIL will continue to benefit from established relations with reputed clients and the extensive experience of the promoters.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operation and low net worth base

AIL's scale of operations remains modest owing to the service-driven nature of the firm, in which the company predominantly books rental income from corporate travels. The small scale of operations reduces the company's financial flexibility in times of stress and prevents it from benefiting from economies of scale. The ability of the company to increase its revenue base while maintaining healthy profitability is a key monitorable. Moreover, its net worth base at Rs. 49.51 crore as on Mar 31, 2025, remains constrained. Nevertheless, the company raised equity capital of Rs. 8.99 crore in FY25 through a preferential allotment of equity shares which supported its operations.

Highly competitive nature of industry characterized by intense competition

Car rental business in India is currently dominated by the unorganized sector and the same is also penetrated by the organized players like Ola, Uber in recent years. AIL operates in highly competitive market marked by the presence of numerous players catering to the same market which has limited the bargaining power of the company. Hence, going forward, due to increasing

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

level of competition and competitive rates, the profits margins are likely to be under pressure in the medium term. Nevertheless, the company caters to the institutional client segment with focus on reliability and security, which provides it a differentiation.

Key strengths

Established relations with reputed customer base

The company's customer base consists mostly of reputed corporates from various industries such as financial institutions, travel agencies, and large corporations, including Exxon Group, Standard Chartered Bank, Ernst & Young, Infosys, among others, with a track record of repeat business from such customers which provides revenue visibility. The top 10 customers contributed 40-50% of AIL's total revenue from operation over the last four years. Further, with the company's operations in eight cities across India (Ahmedabad, Bangalore, Delhi, Chennai, Hyderabad, Pune, Gurgaon, and Kolkata), the customer base remains geographically diversified.

Steady profitability and adequate debt coverage metrics

AIL's PBILDT margin remained stable and stood at 28.50% in FY25 from 28.56% in the previous year. Over the last four years, the company has sustained its operating profitability in the range of 25-29% p.a. indicating stability of operations. The company maintains a sizeable fleet of over 450 vehicles as in Mar 31, 2025 in addition to leased vehicles hired from external vendors. Going forward, the fleet is likely to grow further to cater to geographical expansion plans, while maintaining steady profitability. AIL's capital structure remains adequate with overall gearing at 0.65x in FY25 (PY: 0.89x) and TOL/TNW at 0.81x in FY25 (PY: 1.11x). Its PBILDT interest coverage ratio remains healthy at 8.60x in FY25.

Experienced management and long track record of operations

AIL was established in 1994 and has a track record of more than two decades in car rental business. The company has an experienced and qualified management team to carry out day-to-day operations having around 20 years of experience in this Industry, which has enabled the company to acquire and maintain good client relationships reflected in stickiness of the clients.

Liquidity: Adequate

The company's liquidity remains adequate, supported by expected gross cash accruals of Rs. 20-22 crore in FY26 against debt repayment obligations of Rs. 11.75 crore in FY26. Average working capital utilization stood at a comfortable 50% during the 12 months ended April 2025, with an operating cycle of 32 days. The company plans to incur capex of ~Rs. 20 crore p.a. over the next 1-2 years for replacement and addition of vehicles, partly funded by incremental borrowings. Additionally, AIL had free cash and bank balances of Rs. 6.44 crore as on March 31, 2025, along with a current ratio of 1.25x, which provide further liquidity comfort.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Services	Road Transport

Autoriders International Limited (AIL) was founded in 1994 for offering luxury car rental services. The company primarily provides chauffeur-driven automobile rental services to individuals and institutions, as well as local and international tour management services. As of March 31, 2025, the company's fleet consisted of 472 vehicles including hatchbacks, sedans, SUVs and other premium vehicles. The company is headquartered in Mumbai and has eight branch offices in Ahmedabad, Bangalore, Delhi, Chennai, Hyderabad, Pune, Gurgaon, and Kolkata. AIL is managed by Mr. Chintan Patel (Managing Director & CEO) along with

Mrs. Maneka Mulchandani (Director), Mr. Janak Patel, Mr. Pranav Salil Kapur, Mr. Prankil Amin and Mr. Anil Shankar Kulkarni who serve on the company's Board of Directors. The company is listed on the NSE and BSE.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1 FY26 (UA)
Total operating income	83.41	87.07	23.37
PBILDT	23.82	24.81	6.27
PAT	9.45	8.39	1.78
Overall gearing (times)	0.89	0.65	NA
Interest coverage (times)	8.39	8.60	8.04

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	4.00	CARE BB+; Stable
Fund-based - LT-Term Loan	-	-	-	February 24, 2030	26.00	CARE BB+; Stable

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Cash Credit	LT	4.00	CARE BB+; Stable	-	1)CARE BB+; Stable (01-Oct-24)	1)CARE BB; Stable (30-Oct-23) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Sep-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Sep-22)
2	Fund-based - LT-Term Loan	LT	26.00	CARE BB+; Stable	-	1)CARE BB+; Stable (01-Oct-24)	1)CARE BB; Stable (30-Oct-23) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Sep-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (26-Sep-22)

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

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

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

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