

Crystal Autocars Private Limited

September 22, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	61.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	15.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating moved to 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 Limited (CareEdge Ratings) has been seeking information (including No Default Statement) from Crystal Autocars Private Limited (CAPL) to monitor the rating vide e-mail communications dated September 04, 2025, September 08, 2025, September 10, 2025, September 12, 2025 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. Further, CAPL has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The ratings on CAPL's bank facilities will now be denoted as **'CARE BB-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING**.

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 Crystal Autocars Private Limited (CAPL) remained constrained on account of its modest scale of operations, low Profitability margins, leveraged capital structure as well as weak coverage indicators and elongated operating cycle during FY25 (Prov.) (Provisional-refers to the period from April 01 to March 31). The ratings, further, remained constrained on account of cyclical nature of auto industry.

The ratings, however, derives strength from its Experienced promoters as well as Strong brand value of MG Motor.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on July 15, 2024 the following were the rating strengths and weaknesses (updated from the information available from client)

Key weaknesses

Modest scale of operations

The TOI of the company remains modest though declined to Rs. 357.29 crore in FY25 (Prov.) as against Rs. 409.03 crore in FY24 on account of sluggish sales in Indian passenger vehicle segment after witnessing higher double-digit growth in FY23 and FY24 respectively. CAPL has modest networth base, which stood at Rs. 22.08 crore as on March 31, 2025 (Prov.), which limits the entity's ability to scale up the business significantly. Further, competition in the industry will continue to restrict future growth prospects.

Low Profitability margins

The profitability margins of the company remained low as marked by PBILDT margin of 2.73% in FY25 (Prov.) as against 2.86% in FY24 on account of higher discounts offered in FY25. However, PAT stood in similar lines with previous year at 0.72% in FY25 (Prov.). The company has limited negotiating power with manufacturers and has no control over the selling price as the same is fixed by the manufacturers, thus the margins remained low over the medium term.

Leveraged capital structure and weak coverage indicators

The capital structure of the company stood leveraged as marked by overall gearing ratio stood at 3.00x as on March 31, 2025 (prov.), as compared to 4.33x as on March 31, 2024, on account of on account of company's high reliance on external borrowings to fund working capital requirements. Further, owing to low profitability margins and high debt levels, the debt coverage indicators of the company stood weak marked by Interest coverage ratio and total debt to Gross cash accruals stood at 1.31x and 19.51x respectively in FY25 (prov.) as against 1.56x and 19.23x respectively in FY24.

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

Elongated operating cycle

The operating cycle stood elongated at 71 days in FY25 (Prov.) as against 50 days in FY24. The company needs to stock different models of vehicles and spares in the showrooms in order to ensure adequate availability and visibility leading to elongation in inventory days. The average inventory holding days of the company stood at 42 days in FY25 (Prov.) (PY: 32 Days). The sales to customers are made on "Cash and Carry" basis however, around 95% of the vehicles are bought on vehicle financing basis through banks and NBFCs. The same results in a collection period of around 44 days (PY: 32 Days). Further, the company procures passenger cars by making full advance payment to OEM.

Cyclical nature of auto industry

The automotive sector is dependent on economic growth, credit conditions and consumer confidence. The auto industry is inherently vulnerable to economic cycles and is highly sensitive to interest rates and fuel prices. A hike in interest rate increases the costs associated with the purchase leading to purchase deferral. Fuel prices have a direct impact on the running costs of the vehicle and any hike in the same would lead to reduced disposable income of the consumers, influencing the purchase decision. The policies implemented by the government also have a direct bearing on the sale of passenger vehicles.

Key strengths

Experienced promoters

Crystal Autocar Private Limited (CAPL) was incorporated in 2018 by Mr. Shubham Gupta and his family members. Mr. Shubham Gupta is chartered accountant by qualification and Mr. Shobhit Gupta has done Master of Business Administration. The overall operations CAPL is being managed by Mr. Shubham Gupta and Mr. Shobhit Gupta who has accumulated vast experience in the automobile industry.

Strong brand value of MG Motor

MG Motor owned by Shanghai Automotive Industry Corporation has ventured with JSW Group to sell MG cars and is one of the fast-growing automotive brands in India. SMLC is 100 years old when they used to make 2-seater sports cars. In India, they have a network including MG India's plant at Halol, Vadodara, Gujarat and the MG India Head office at Gurgaon, Haryana. MG motors have around 1.83% total market share in India and accounts for 28% market share of electric vehicles in FY25.

Liquidity: Stretched

The liquidity position of the company remained stretched characterized higher utilization of Working Capital limits with average utilization for the trailing twelve months ending June 2025 of ~80%. Further, cash flow from operations also remained modest at Rs.7.49 crores in FY25(Prov), while cash and bank balance was low at Rs.2.52 crore as on March 31, 2025. However, company has generated adequate cash accrual (NCA) to meet its repayment obligation.

Applicable criteria

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

[CARE Ratings' Criteria for Rating Auto Dealers](#)

[CARE Ratings' Criteria on Rating of Short Term Instruments](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Automobile and Auto Components	Automobiles	Auto Dealer

Crystal Autocars Private Limited (CAPL) was incorporated in 2018 and is an authorised dealer of Morris Garages (MG MOTOR INDIA PRIVATE LIMITED). The company has its registered office in East Delhi. CAPL currently operates four showrooms and service centres each at Noida, Ghaziabad, Patel Nagar and Patparganj. It currently sells all models of MG Motors through its outlets. Majority of the revenue is derived from vehicle sales. The company manages its operations through its 2S (Sales & Service) with its facility located in Hapur and Bulandshahr and 3S (Sales, spare and service) facility located in Delhi and Noida, Uttar Pradesh. The showroom has attached workshop facility for the post sales services of cars. The company is also engaged in trading of mobile phones to one of the client in Dubai. However, due to lower margins the company stopped that business from 2023 onwards.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (Prov.)
Total operating income	409.03	357.29
PBILDT	11.71	9.77
PAT	2.89	2.57
Overall gearing (times)	4.33	3.00
Interest coverage (times)	1.56	1.31

A: Audited; Prov.: Provisional; 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

Covenants of rated instrument / facility: 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	1.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Electronic Dealer Financing Scheme		-	-	-	60.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	15.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*

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

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-Electronic Dealer Financing Scheme	LT	60.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (15-Jul-24)	1)CARE BB-; Stable (03-Jul-23)	1)CARE BB-; Stable (11-Jul-22)
2	Fund-based - LT-Cash Credit	LT	1.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (15-Jul-24)	1)CARE BB-; Stable (03-Jul-23)	1)CARE BB-; Stable (11-Jul-22)
3	Fund-based/Non-fund-based-LT/ST	LT/ST	15.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4 (15-Jul-24)	1)CARE BB-; Stable / CARE A4 (03-Jul-23)	1)CARE BB-; Stable / CARE A4 (11-Jul-22)

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

LT: Long term; LT/ST: Long term/Short 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-Electronic Dealer Financing Scheme	Simple
3	Fund-based/Non-fund-based-LT/ST	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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