

AGX Retail Solutions Private Limited

September 29, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	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 has been seeking information from AGX Retail Solutions Private Limited to monitor the rating vide e-mail communications/letters dated 2nd July 2025, 8th July 2025, 16th July 2025, 22 July 2025, 07 August 2025 18th August 2025 and 26th August 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 has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited's opinion is not sufficient to arrive at a fair rating. The rating on AGX Retail Solutions Private Limited's bank facilities and/or instruments will now be denoted as CARE BB-; Stable; 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.

The revision in rating is on account of non-availability of information.

Analytical approach: Standalone

Detailed description of key rating drivers:

At the time of last rating on September 06, 2024, the following were the rating strengths and weaknesses.

Key weaknesses

Moderate scale of operations

The scale of operation of the company remains moderate marked by a TOI of Rs 95.51 crore in FY24. The tangible net worth of the company also remained moderate at Rs 13.06 crore as on March 31, 2024. However, the company has witnessed a ~24% growth in FY24. Leveraging favourable industry prospects and securing consecutive orders from reputed clients, the company has the potential to further improve its scale in the future.

Higher working capital utilisation

The working capital utilisation of the company remained high at 96.79% for the past 12 month leaving limited room for unforeseen working capital needs. There were 2 instances of overdrawals in last 12 months ended June 30, 2024 which were regularised with a peak delay of 2 days.

Low Order book Position

AGX has an outstanding active order book of ₹44.11 crore as on August 30, 2024 which translates to an order book to TOI ratio of 0.46x reflecting short term revenue visibility. The company is expecting to get fresh orders by bidding for government tenders in Q2 and Q3 of present financial year i.e. FY25.

Leveraged capital structure

The capital structure of the company marked by debt equity ratio and overall gearing ratio remained leveraged and similar at 0.84x (PYE: 0.84x) and 1.78x (PYE: 1.78x), respectively, as on March 31, 2024. The company availed additional term debt in FY24 to fund the increased working capital requirements arising from the delay of payments from government contracts.

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

Intense competition in the industry

Advertising Industry is highly fragmented with low entry barriers. The industry has few organized while numerous unorganized small players which results in intense competition. The purchase behaviour of the customer is characterized by low brand awareness of the products which enables companies to focus on the competitive advantages of their products, the distinctive added value to customers, and sustain the market competition. As a result, various organizations in India are relying on innovative advertising solutions to reach targeted audiences, enhance customer experience, and increase profitability.

Key strengths

Improvement in total operating income and profitability

In the FY24, AGX registered a ~24% growth in total operating income (TOI). The TOI showed significant improvement, reaching Rs 95.51 crore in FY24 compared to Rs 77.16 crore in FY23. The increase in revenue was on account of entering into a new vertical of tender based government projects with clients like Indian Oil Corporation Limited and Bangalore and Pune Metro. In terms of profitability, there was an upturn in the PBILDT margin to 7.60% in FY24 from a 6.70% in FY23. Furthermore, the PAT margin also demonstrated improvement, registering 3.58% in FY24 compared to 3.13% recorded in FY23.

Experience of promoters with well qualified team

AGX Retail Solutions Private Limited is promoted by Mr. Mamidi Arjun Reddy and his family members. Mr. Mamidi Arjun Reddy is an MBA and has more than a decade of experience in advertisement industry. Ritanshu Mohan (Chief Marketing Officer) is also an MBA in marketing and has more than a decade of experience in marketing. He worked with reputed organizations like Coca Cola, Saint Gobain, Wipro and 3M as a marketing officer. The directors had professional experience in the fields of retail branding, OOH, design, store fit outs, graphic designing, exhibitions, fixtures, and visual merchandising. Their diverse exposure has endowed with a clear understanding of the needs of the customers and how they align with current market trends.

Lower counterparty risk and reputed customer base

The clientele of AGX comprises of highly reputed and strong companies which reduces the counterparty risk. The company also receives repetitive orders from these customers and has clear terms w.r.t collection from debtors. The company is well associated with their customers and mostly the customers are recurring. The company has demonstrated good track record and has established relations with marquee clients.

Industry Outlook

India's advertising market is projected to maintain a steady upward trajectory in 2024 and 2025, with growth rates of 15.5% and 14.9%, respectively. India stands out as one of the globe's fastest-growing out-of-home (OOH) advertising markets, with billboards serving as the cornerstone of this dynamic sector. Notably, India is leading the charge in the transition towards Digital OOH (DOOH) at a pace that outpaces many mature markets. This shift is being propelled by an upswing in infrastructure and construction activities within the country, leading to an increased availability of prime platforms for OOH advertising.

Liquidity: Stretched

Liquidity position of the company is stretched marked by gross cash accruals of Rs. 4.23 crore in FY24 vis-à-vis repayment obligation of Rs.2.56 crore for FY25. Further, the company's working capital utilization for last 12 months ended June 2024 remained high at about ~97% leaving less cushion in case of any additional working capital requirements.

Assumptions/Covenants: not applicable

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

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Media, Entertainment & Publication	Media	Advertising & Media Agencies

Hyderabad based AGX Retail Solutions Private Limited (AGX; formerly known as Auto Striping India Private Limited) was established in the year 1996. The company is engaged in commercial retail designing, developing, and providing various kinds of advertising like creating innovative designer brands, logos and images for stores and corporate companies in the form of flex sign boards, logos, and hoardings. The company is also engaged into store build-out, wayfinding design, space design and visual graphics.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (UA)
Total operating income	68.59	77.16	95.51
PBILDT	-3.55	5.17	7.26
PAT	-6.35	2.41	3.42
Overall gearing (times)	1.72	1.78	1.78
Interest coverage (times)	-1.95	2.31	3.33

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: The ratings of AGX continues to remain under INC by CRISIL vide its PR dated September 26, 2025.

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	12.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	5.00	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-Cash Credit	LT	12.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (06-Sep-24)	1)CARE BB; Stable (05-Oct-23)	1)CARE BB-; Stable (29-Sep-22)
2	Non-fund-based - ST-Bank Guarantee	ST	5.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (06-Sep-24)	1)CARE A4 (05-Oct-23)	1)CARE A4 (29-Sep-22)

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

LT: Long term; ST: Short 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	Non-fund-based - ST-Bank Guarantee	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.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: 912267543404 E-mail: saikat.roy@careedge.in	Analytical Contacts Karthik Raj K Director CARE Ratings Limited Phone: +91-80-4662-5555 E-mail: karthik.raj@careedge.in Manohar S Annappanavar Associate Director CARE Ratings Limited Phone: +91 80 4662 5525 E-mail: manohar.annappanavar@careedge.in Ritik Agrawal Analyst CARE Ratings Limited E-mail: Ritik.agarwal@careedge.in
--	--

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2025, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CARE Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE Ratings.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**