

GS Auto International Limited

October 17, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE C; Stable; ISSUER NOT COOPERATING* and Withdrawn
Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE A4; ISSUER NOT COOPERATING* and Withdrawn

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CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn the outstanding ratings of 'CARE C; Stable; ISSUER NOT COOPERATING and CARE A4; ISSUER NOT COOPERATING' (Single C; Outlook: Stable; ISSUER NOT COOPERATING/ A4; ISSUER NOT COOPERATING) assigned to the bank facilities of GS Auto International Limited (GSAIL) with immediate effect. The above action has been taken at the request of GSAIL along with No Objection Certificate from the bank that has extended the facilities rated by CareEdge Ratings.

The ratings assigned to the bank facilities of GSAIL continues to remain constrained on account of delays and defaults for guaranteed debt for group entities and subsequent initiation of SARFAESI proceedings by lenders, modest scale of operations, moderatemoderate financial risk profile and elongated operating cycle. The ratings are further constrained owing to the cyclical nature of industry and raw material price volatility risk. However, the ratings derive strength from Experienced promoters coupled with long track record of operations and Association with reputed customer base.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

At the time of last rating dated January 02, 2025, the following were the rating strengths and weaknesses(updated based on information available from stock exchange fillings).

Key Weaknesses

Delays and defaults for guaranteed debt and subsequent initiation of SARFAESI proceedings by lenders

GS Auto International Limited has extended corporate guarantee to the tune of Rs 6.20 crore for working capital limits of its group concerns, G.S Consumer Products Private Limited and G.S Autocomp Private Limited which are classified Nonperforming assets (NPA) by its lenders. The bank has initiated SARFAESI against the group companies GS Consumer Products Private Limited and GS Autocomp Private Limited. The total outstanding amount including interest is Rs 0.65 crores and Rs 5.55 crores respectively as on March 31, 2023. Further, by factoring of the outstanding debt of the said group entities, debt service metrics of the company is expected to be weak over the medium term. The bank is under process to liquidate one of the mortgaged collaterals to set off the dues. The said liquidation of collateral will result in partial setting of outstanding dues and balance is expected to paid off by promoters of group entities using personal funds.

Modest scale of operations

GSAIL 'sGSAIL 's scale of operations continues to remain modest to Rs. 145.16 crore during FY25 compared to 150.70 crore during the previous year. The modest scale of operation limits the company's financial flexibility in times of stress. Further, during Q1FY26, GSAIL reported a revenue of Rs. 37.66 crore.

Further, GSAIL's profitability margins also remained moderate and in line with the previous year as marked by PBILDT margin and PAT margin of 7.08% and 0.98% respectively during FY25 compared to 6.15% and 0.46% respectively during FY24. Further, during Q1FY26 PBILDT margin continued to remain moderate of 6.98%.

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

Moderate financial risk profile

GSAIL's capital structure continued to remain moderate, owing to a low networth base. Hence, overall gearing stood at 1.22x as on March 31, 2025, compared to 1.56x as on March 31, 2024. Further, GSAIL has extended corporate guarantee for its group concerns which stood at Rs 6.19 crores as on March 31, 2025. Thus, adjusted gearing considering the corporate guarantee stood at 1.76x as on March 31, 2025 compared to 2.12x as on March 31, 2024.

Further, GSAIL's debt coverage indicators improved due to increase in profitability in an absolute basis. Thus, interest coverage improved to 2.48x for FY25 compared to 1.95x during FY24. Moreover, Total Debt/GCA also stood moderate at 4.45 years as on March 31, 2025 (P.Y.: 6.99 years).

Elongated operating cycle

The operating cycle of GSAIL stood elongated to 80 days during FY25 (PY: 76 days). Owing to large product portfolio (different type of design, sizes etc.), GSAIL is required to maintain adequate inventory at each processing stage for smooth running of its production processes and to ensure prompt delivery to its customers resulting in an average inventory holding period of around 86 days in FY25 compared to 78 days in FY24. GSAIL has to offer liberal credit period resulting in an average collection period of 39 days in FY25. GSAIL receives an average credit period of around 1-2 months from its suppliers resulting in average creditor's period of 45 days in FY25.

Raw material price volatility risk

GSAIL is exposed to the raw material price volatility risk due to the volatility experienced in the prices of steel and allied products as their prices fluctuates frequently due to demand supply gap. GSAIL procure materials such as mild steel, EN steel, aluminium scrap, copper scrap, etc. constitute a major component of the raw material i.e., around 55% of the total cost of production for the last 3 years (FY22-FY24), hence any volatility in their prices of raw materials has a direct impact on the profitability margins of the company.

Cyclical nature of industry

GSAIL fortunes are linked to those of the automobile industry, which is cyclical in nature. The demand for automobiles has a significant impact on the demand and prices of the products manufactured by the company. A fall in the demand and/or prices would adversely impact the financial performance of the company. Presence in a highly competitive auto component industry: GSAIL operates in a highly competitive industry wherein there is presence of numerous players in the unorganized and organized sectors. Furthermore, the auto component industry is largely unorganized and constitute of around 45-50% of the overall industry size. The unorganized segment primarily caters to the replacement market and to tier II and III suppliers. The organized segment primarily caters to the OEM segment.

Key Strengths

Experienced promoters coupled with long track record of operations

The operations of GSAIL are currently being managed by Mr. Harkirat Singh Ryait (Wholtime Director), Mr. Jasbir Singh Ryait (Managing Director), Mr. Surinder Singh Ryait, Ms Amarjit Kaur Ryait and Mrs. Dalvinder Kaur Ryait. Mr. Jasbir Singh Ryait has done B.E. (Mechanical Engineering) and holds vast accumulated experience of nearly three decades in auto industry through his association with this entity. Mr. Surinder Singh (Managing Director) is a graduate and holds vast accumulated experience of nearly three decades in auto industry through his association with this entity. They are ably supported by other directors of the company in managing day-to-day operations of the company. GSAIL has a considerable track record in this business which has resulted in long term relationships with both suppliers and customers.

Association with reputed customer base

GS Auto International Limited has been operational for more than eight decades in the industry and has been able to establish healthy relationships with its customers. Association with reputed customers coupled with repeated orders enhances the image of the company in the market regarding product quality. Over these years the company has established business relationship with reputed companies like Tata Motors Limited (rated 'CARE AA+; Stable/CARE A1+'), Ashok Leyland Limited (rated CARE AA+; Stable; CARE A1+), Maruti Suzuki Limited, SML Isuzu Limited, VE Commercial Vehicles Limited, etc. and its vendors.

Assumptions/Covenants: Not Applicable

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

Applicable criteria

[Withdrawal Policy](#)

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Financial Ratios – Non financial Sector](#)

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

[Auto Components & Equipments](#)

[Short Term Instruments](#)

[Manufacturing Companies](#)

About the company

GS Auto International Limited was initially established as a proprietorship firm in the year 1938. Later in 1973, it gets converted into private limited company as "Gurmukh Singh & Sons Private Limited". Subsequently in 1985, it was reconstituted as a Public Limited Company and renamed as the present one. The company is currently being managed by Mr. Harkirat Singh Ryait, Mr. Jasbir Singh Ryait, Mr. Surinder Singh, Ms. Amarjit Kaur Ryait, Mrs. Dalvinder Kaur Ryait. The company is engaged in the manufacturing of automotive suspension and fastening components for Indian and International utility vehicles, commercial vehicles (LCVs, MCVs and HCVs), passenger vehicles, multi-axle vehicles, trailers and special purpose vehicles. The manufacturing facility of the company is done through two units; Ludhiana (Punjab) and Jamshedpur (Jharkhand). The products are sold under the brand name "GS International". The company mainly caters to original equipment manufacturers (OEM's), replacement markets and export markets of countries like Brazil, Morocco and Germany. The company has three associate concerns namely, "G S Autocomp Private Limited" (incorporated in 2006) engaged in the manufacturing of auto components, "G.S. Consumer Products Private Limited" (incorporated in 2006) engaged in the manufacturing of auto components and "Gurmukh Singh International LLP" (established in 2015) engaged in the trading of auto components.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	150.70	145.16	37.66
PBILDT	9.26	10.28	2.63
PAT	0.69	1.42	0.61
Overall gearing (times)	1.56	1.22	-
Interest coverage (times)	1.95	2.48	2.68

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

Status of non-cooperation with previous CRA: Brickwork has continued the rating assigned to the bank facilities of GSAIL into Issuer Not Cooperating category vide press release dated June 06, 2025 on account of its inability to carry out a review in the absence of requisite information.

Infomerics has continued the rating assigned to the bank facilities of GSAIL into Issuer Not Cooperating category vide press release dated September 15, 2025 on account of its inability to carry out a review in the absence of requisite information.

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		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	June, 2030	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee		-	-	-	0.00	Withdrawn
Non-fund-based - ST-ILC/FLC		-	-	-	0.00	Withdrawn

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-Term Loan	LT	-	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Oct-25)	1)CARE C; Stable; ISSUER NOT COOPERATING* (02-Jan-25)	1)CARE C; Stable (26-Dec-23) 2)CARE C; Stable (24-Apr-23)	1)CARE B+; Stable (24-Nov-22)
2	Fund-based - LT-Cash Credit	LT	-	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Oct-25)	1)CARE C; Stable; ISSUER NOT COOPERATING* (02-Jan-25)	1)CARE C; Stable (26-Dec-23) 2)CARE C; Stable (24-Apr-23)	1)CARE B+; Stable (24-Nov-22)
3	Non-fund-based - ST-ILC/FLC	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (17-Oct-25)	1)CARE A4; ISSUER NOT COOPERATING* (02-Jan-25)	1)CARE A4 (26-Dec-23) 2)CARE A4 (24-Apr-23)	1)CARE A4 (24-Nov-22)
4	Non-fund-based - ST-Bank Guarantee	ST	-	-	1)CARE A4; ISSUER NOT COOPERATING* (17-Oct-25)	1)CARE A4; ISSUER NOT COOPERATING* (02-Jan-25)	1)CARE A4 (26-Dec-23) 2)CARE A4 (24-Apr-23)	1)CARE A4 (24-Nov-22)

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

LT: Long term; ST: 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-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-ILC/FLC	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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