Om Metals Auto Private Limited

July 01, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	6.00	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	76.75	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable / CARE A4+ and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Om Metals Auto Private Limited (OMAPL) to monitor the rating(s) vide e-mail communications dated June 26, 2026; June 22, 2026; June 16, 2026, 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 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. The rating on OMAPL's bank facilities and/or instruments will now be denoted as **CARE BB; Stable /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 have been revised on account of the non-availability of requisite information due to non-cooperation by OMAPL with CareEdge Ratings' efforts to undertake a review of the ratings outstanding. CareEdge Ratings views information availability risk as a key factor in its assessment of credit risk.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook indicates that the company is expected to benefit from its experienced promoters & long-standing relationship with a leading Original Equipment Manufacturer (OEM) i.e. Toyota Kirloskar Motor Private Limited.

Detailed description of key rating drivers:

At the time of last rating on July 04, 2025, the following were the rating strengths and weaknesses:

Key weaknesses

Stretch in liquidity position of the company due to inventory push by the principal supplier

The liquidity profile of the company is stretched on account of inventory push by the principal supplier during FY25 (refers to the period April 01 to March 31). The average inventory holding period increased to 32 days during FY25 as compared to 20 days in FY24. The same resulted in higher reliance on bank debt to manage the increased working capital requirements. The stretched liquidity is also reflected by instances of overdrawing in working capital limits which were regularised within 7 days.

Going forward, the company's ability to manage its inventory holding position and reduce its reliance on external debt to manage its working capital requirements shall remain key monitorable.

Declining profitability margins

The company has to offer various promotional schemes to maintain its market presence and to meet the increasing sales targets from principal supplier, which has led to sustained decline in profitability margins. As a result, the company's PBILDT and Profit after tax (PAT) margins decreased to 1.73% and 0.23%, respectively, in FY25, compared to 2.96% and 1.27% in FY24 (refers to the period April 01 to March 31).

Going forward, the company's ability to improve profitability margins by controlling their selling expenses, shall remain a key monitorable.

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

Moderate financial risk profile

The company's overall gearing & Total Debt to PBILDT ratio moderated and stood at 2.09x & 6.96x as on March 31, 2025, respectively; as against 1.43x & 3.27x, respectively as on March 31, 2024. Such moderation is mainly due to increased utilization of working capital limits to support the growing scale of operations and higher inventory requirements. Further, the decline in profitability of the company also impacted the debt coverage metrics. Furthermore, the interest coverage ratio moderated to 1.55x in FY25 (PY: 5.23x).

Owing to increasing working capital borrowings, CareEdge Ratings expects company to maintain its moderate financial risk profile over near to medium term. The company's ability to improve financial risk profile while managing its working capital requirements & improving profitability would remain a key monitorable from credit perspective.

Limited bargaining power with principal automobile manufacturer

OMAPL's business model (i.e. auto dealership) is largely in the nature of trading wherein the profitability margins are low. Moreover, the dealers have low bargaining power over their principal manufacturers. In order to capture the market share, the auto dealers offer better buying terms like allowing discounts on purchases, free accessories or insurance, etc. which create margin pressure for the dealers.

Intense competition and cyclical nature of the auto industry

OMAPL is exposed to competition from the products of other OEMs and dealers operating in the same region. Accordingly, company has to resort to offering better buying terms like allowing discounts to capture the market share. Such discounts create margin pressure and negatively impact the earning capacity of the company. Furthermore, the auto industry is inherently vulnerable to the economic cycles and is highly sensitive to the interest rates and fuel prices. The company thus faces significant risks associated with such cyclical nature of the auto industry.

Key strengths

Sustained growth in scale of operations

The company's scale of operations has demonstrated sustained growth, with a compounded annual growth rate (CAGR) of approximately 32% between FY21 and FY25. Promotional offers have contributed to a year-on-year revenue increase of around 22%, reaching Rs. 523.98 crore in FY25, up from Rs. 429.66 crore the previous year. These promotional discounts have helped the company to maintain a strong market position in the region.

Going forward, the company's ability to sustain this growth trend shall remain a key monitorable.

Experienced Promoters

OMAPL is promoted by Mr. Vikas Kothari, Mr. Bahubali Kothari and Mr. Vivek Kothari having presence in automobile dealership with business for more than two decades. The company has long-standing relationship with a leading Original Equipment Manufacturer (OEM) i.e. Toyota Kirloskar Motor Private Limited.

Liquidity: Not Applicable

Assumptions/Covenants: Not Applicable

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

Applicable criteria

Definition of Default
Issuer non-cooperation
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non-financial Sector
Auto Dealer
Short Term Instruments

About the company and industry

Industry classification

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

Incorporated in 2004, OMAPL is an authorized dealer of Toyota Kirloskar Motor Private Limited (TKMPL) and was promoted by Mr. Vikas Kothari, Mr. Bahubali Kothari and Mr. Vivek Kothari. OMAPL derives its revenue from vehicle sales and servicing and sale of spare parts. OMAPL has seven showrooms three in Jaipur and one each in Sikar, Kota, Ajmer and Jhunjhunu in Rajasthan along with 9 offices and 1 stockyard at various towns & cities in the state of Rajasthan.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	429.61	523.17
PBILDT*	12.68	7.89
Profit after tax (PAT)	5.44	1.31
Overall gearing (x)	1.43	2.09
Interest coverage (x)	5.21	1.35

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	30-04-2027	6.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-Working Capital Limits	-	-	-	-	76.75	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 2026-2027	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
1	Fund-based - LT/ ST-Working Capital Limits	LT/ST	76.75	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+ (04-Jul-25) 2)CARE BB+; Stable / CARE A4+ (23-Jun-25)	1)CARE BBB-; Stable / CARE A3 (05-Aug-24)	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING * (28-Aug-23)
2	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (05-Aug-24)	1)CARE BB+; Stable; ISSUER NOT COOPERATING * (28-Aug-23)
3	Fund-based - LT-Term Loan	LT	6.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (04-Jul-25)	-	-

*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-Term Loan	Simple
2	Fund-based - LT/ ST-Working Capital Limits	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of the 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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