Autoriders International Limited

July 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	30.00	CARE BBB-; Stable	Upgraded from CARE BB+; Stable

Details of instruments/facilities in Annexure-1.

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

Rating upgrade considers the sustained growth in Autoriders International Limited's (AIL's) scale of operations to ~₹100 crore in FY26, at a three year compounded annual growth rate (CAGR) of 12.5%, driven by continued investment in fleet addition, expanding geographical presence and relationships with reputed customers and sustained profitability, translating into improved capital structure and debt coverage metrics. AIL's profit before interest, lease rent, depreciation and taxation (PBILDT) margin has sustained above 25% in the last four years, despite volatility in fuel prices, owing to presence of pass-through mechanism with customers. CARE Ratings Limited (CareEdge Ratings) also notes settlement of a sizeable income tax demand of ₹14.58 crore in FY26 with the company's appeal against the demand being allowed in their favour, mitigating the risk of crystallisation of the contingent liability. Going forward, the company's revenue is expected to continue to grow by 10-12% pa in the next 1-2 years, supported by planned fleet expansion, with sustained profitability translating into adequate accruals.

The rating continues to favourably factor in AIL's established track record in the corporate vehicle rental industry, experiences promoters and relationships with reputed customers. The rating also considers the company's comfortable capital structure as indicated by overall gearing and total outside liabilities to tangible net worth (TOL/TNW) of 0.58x and 0.73x, respectively, as on March 31, 2026 (PY: 0.65x and 0.81x, respectively), and adequate debt coverage metrics with profit before interest, lease rentals, depreciation and taxation (PBILDT) interest cover and total debt/PBILDT at 8.69x and 1.19x, respectively, in FY26. However, rating remains constrained by AIL's moderate scale of operations, capital intensive business model requiring continued investment in fleet replacement and expansion and intense competition in the industry. CareEdge Ratings also notes the company's venture into installation of rooftop solar power plants, through incorporation of a subsidiary in FY26, and the expectations of financial support of ₹2-3 crore pa, being extended to the subsidiary in the medium term.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant growth in scale of operations above ₹250 crore while sustaining healthy PBILDT margin.

Negative factors

- Sizeable decline in scale of operations or profitability impacting cash accruals on a sustained basis.
- Higher-than-anticipated debt-funded capex or financial support extended to group entities putting pressure on the capital structure and liquidity.
- Deterioration in total debt/PBILDT above 2.5x or TOL/TNW above 1.25x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The Stable outlook reflects CareEdge Ratings' expectation that AIL will continue to maintain adequate debt coverage metrics while benefiting from established relations with reputed clients and extensive experience of promoters.

Detailed description of key rating drivers:

Key strengths

Established relations with reputed customer base

The company's customer base consists mostly of reputed corporates across 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. Top 10 customers contributed 40- 50% of AIL's

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

total revenue from operation in the last four years. With the company's operations in eight cities across India (Ahmedabad, Bengaluru, Delhi, Chennai, Hyderabad, Pune, Gurgaon, and Kolkata), the customer base remains geographically diversified.

Steady profitability with adequate capital structure and debt coverage metrics

In the last four years, the company sustained its PBILDT in the range of 27-28% pa, despite rising fuel costs, indicating the company's ability to pass on the fuel costs and maintain stability of operations. AIL's capital structure remains adequate with overall gearing and TOL/TNW of 0.58x and 0.73x, respectively, as on March 31, 2026 (PY: 0.65x and 0.81x, respectively) and adequate debt coverage metrics with PBILDT interest cover and total debt/PBILDT at 8.69x and 1.19x, respectively, in FY26. Going forward, the company is expected to sustain its profitability translating into adequate financial risk profile.

Experienced management and long track record of operations

AIL was established in 1994 and has a track record of over two decades in car rental business. The company has an experienced and qualified management team to carry out day-to-day operations having ~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.

Key weaknesses

Moderate scale of operation and net worth base

AIL's scale of operations remains moderate owing to the service-driven nature of business where it books rental income from corporate travels. While the scale has sustainably grown to ~₹100 crore in FY26, the moderate scale of operations reduces the company's financial flexibility in times of stress and prevents it from benefiting from economies of scale. Its net worth base also remains constrained at ~₹57 crore as on March 31, 2026, despite continued accruals and raising additional equity capital of ~₹9 crore in FY25. Sustained growth in scale of operations driven by fleet addition remains a key sensitivity.

Capital intensive business model requiring continued capex

The company's business model remains capital intensive with continued investment required behind replacement and expansion of fleet to support business growth. The company's owned fleet has grown to ~600 vehicles as on March 31, 2026, from ~430 vehicles as on March 31, 2024. Average age of the fleet stands at ~2 years with vehicles being replaced after five years of service to maintain quality. The company plans to continue to invest ~₹20 crore pa in the next 2-3 years towards maintenance and addition of fleet to support business growth, partly funded by incremental borrowings.

Highly competitive nature of industry characterised by intense competition

Apart from unorganised players, AIL faces competition from organised players including Avis India, Orix Leasing and Ayvens India (ALD Automotive) and the entry of new players, such as Uber and Ola. The intense competition and limited scope of service differentiation limits pricing flexibility. AIL caters to the institutional client segment with focus on reliability and security, which aids in creating a differentiated offering and ensuring customer stickiness.

Liquidity: Adequate

AIL's liquidity remains adequate with projected gross cash accruals of ₹25-30 crore pa in the next 1-2 years against scheduled debt repayment obligations of ₹13-14 crore pa. The company also plans to incur capex of ~₹20 crore pa. towards replacement and addition of fleet, partly funded by incremental vehicle loans of ₹12-15 crore pa. The company had free cash and liquid investments of ₹3.06 crore as on March 31, 2026, and average utilisation of its working capital limits stood at 27% for 12 months ended April 2026 indicating adequate liquidity buffer. AIL's current ratio stood at of 1.19x as on March 31, 2026.

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

AIL was founded in 1994 for offering luxury car rental services. The company primarily provides chauffeur-driven vehicle rental services to institutions and local and international tour management services with a fleet of ~600 vehicles as on March 31, 2026, comprising hatchbacks, sedans, sports utility vehicles (SUVs) and other premium vehicles. The company is headquartered in Mumbai and has eight branch offices in Ahmedabad, Bengaluru, Delhi, Chennai, Hyderabad, Pune, Gurgaon, and Kolkata. AIL is managed by Chintan Patel (Managing Director & CEO) and is listed on the NSE and BSE.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	87.07	100.59
PBILDT*	24.81	28.15
Profit after tax (PAT)	8.39	9.05
Overall gearing (x)	0.65	0.58
Interest coverage (x)	8.60	8.69

A: Audited; 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 (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 BBB-; Stable
Fund-based - LT-Term Loan	-	-	-	24-02-2030	26.00	CARE BBB-; 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 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-Cash Credit	LT	4.00	CARE BBB-; Stable	-	1)CARE BB+; Stable (04-Sep-25)	1)CARE BB+; Stable (01-Oct-24)	1)CARE BB; Stable (30-Oct-23) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Sep-23)
2	Fund-based - LT-Term Loan	LT	26.00	CARE BBB-; Stable	-	1)CARE BB+; Stable (04-Sep-25)	1)CARE BB+; Stable (01-Oct-24)	1)CARE BB; Stable (30-Oct-23) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (12-Sep-23)

*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

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 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
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

[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]
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), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating notes subsequent to issuance(s), CARE Ratings Limited 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 in 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 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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About us:
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