OSL MOTOCORP PRIVATE LIMITED

September 03, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	5.00	CARE BB-; Stable	Reaffirmed
Short Term Bank Facilities	RBI	35.00	CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to the bank facilities of OSL Motocorp Private Limited (OMPL) continues to be constrained by limited geographical presence, inherent competition and cyclical nature of the auto industry, dependence on the fortunes of MSIL with low bargaining power, leveraged capital structure with low net worth base and modest debt coverage indicator. The rating however derives strength from OMPL being a part of an established group & long experience of the promoters in the auto-dealership business, long term association with a leading OEM (Maruti Suzuki India Limited) in Passenger Vehicle (PV) segment and moderate scale of operations and moderate margins.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in scale of operations marked by TOI of above 250 crores while maintaining PBILDT margins at current levels on a sustained basis.
- Improvement in capital structure with overall gearing below 3.0x.

Negative factors

- Decline in sales below Rs. 150 crores and PBILDT margin below 3.0% on a sustained basis.
- Deterioration in the capital structure as marked by the overall gearing ratio above 6.00x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The company is expected to uphold its operational performance, driven by the promoters' vast experience in the auto industry and their long-term relationship with MSIL.

Detailed description of key rating drivers

Key weaknesses

Inherent competition and cyclical nature of the auto industry

The company faces competition from products offered by other OEMs and dealers in the same market. To gain market share, auto dealers often provide better purchase terms, such as discounts, which can put pressure on profit margins and negatively affect the dealers' earnings potential. Additionally, the automotive industry is naturally susceptible to economic cycles and is highly influenced by factors like interest rates and fuel prices. As a result, the company is exposed to considerable risks stemming from the cyclical nature of the auto industry.

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

Dependence on the fortunes of MSIL with low bargaining power
The business model of OMPL is in the nature of trading with thin margins. Dealers lack bargaining power due to its dependence on such large principals that set policies, targets and link incentive based income to satisfactory compliance of such policies. The company is exposed to the risk of change in policy by the principal with regards to the dealership. Accordingly, the financial risk profile of the company has a high degree of correlation with the performance of OEM's vehicles in the market and their ability to launch new products. Further, any reputational damage to the OEM would impact the sales of dealerships.

Leveraged capital structure with low net worth base and modest debt coverage indicator
The overall gearing ratio of the firm deteriorated from 3.76x as on Mar 31, 2025 to 4.05x as on Mar 31, 2026 and the capital structure continues to remain leveraged. This is mainly due to small net worth base of Rs. 13.89 crores as of Mar 31, 2026 (PY: Rs. 13.31 crores) and high utilization of its working capital limits.
Debt protection metrices also remained modest owing to moderate margins and high interest outgo pertaining to utilization of working capital limits. The interest coverage and total debt to GCA remained modest at 1.30x and 32.05x respectively in FY26 as against 1.23x and 33.08x respectively in FY25.

Limited geographical presence
The company's scale of operations remained moderate over the years, due to its limited geographical presence. It has a non-exclusive dealership for MSIL's passenger vehicles in and around Kolkata. As a result, the company is unable to leverage economies of scale, and during periods of financial difficulty, it may face greater challenges compared to other companies in the same industry that have multiple showrooms across different regions.

Key strengths

Part of an established group & long experience of the promoters in the auto- dealership business
OMPL is a part of OSL group which has a wide range of auto dealership (passenger vehicle of Maruti Suzuki India Ltd, two wheelers of Bajaj Auto Ltd under OSL Auto Pvt Ltd, three wheelers of Bajaj Auto under Kolkata Auto Agencies Pvt Ltd and commercial vehicle of Tata Motors Ltd under OSL Automotives Pvt Ltd), logistics (providing logistics and warehousing services under OSL Logistics Pvt Ltd), etc. The promoters have over a decade long association with Maruti in the auto dealership industry. Apart from the above, the group is also involved in various industries, including hospitality, confectionery and real estate. The promoters, Mr. Nirmal Kumar Goyal and Mr. Sanjay Kumar Goyal possess over 30 years and 20 years of experience, respectively, in the automobile dealership industry. OMPL was established in April 2015, with the company dealing in a wide range of Maruti Suzuki India Limited vehicles in and around Kolkata. Furthermore, other entities within the OSL group hold dealerships for major automobile brands, including TATA Motors, Bajaj Auto, and others.

Long term association with a leading OEM (Maruti Suzuki India Limited) in PV segment
OMPL is engaged in automobile dealership business for over a decade and has a long-standing association with its principal Maruti Suzuki India Limited (MSIL). OMPL is an authorized dealer for passenger vehicles of MSIL having 7 showrooms (6 Arena and 1 Nexa), 1 True Value showroom and 1 workshop across Kolkata and neighbouring areas. OMPL has an integrated mode of operations, functioning in various verticals of automobile dealership business to provide one stop solution to its customers. It operates service stations, sells spare parts, second hand vehicles and has tie-ups for vehicle finance. This allows it to provide a comprehensive range of services to the customer at a single point.

Moderate scale of operations and profitability margins
The scale of operations of the company improved, though it continued to remain moderate, marked by TOI of ₹210.17 crore in FY26 as against ₹176.19 crore in FY25, registering a growth of ~19.3%. The growth was driven by an increase in vehicle sales volume to 2,937 units in FY26 from 2,427 units in FY25, supported by GST rate cuts and the addition of three new showrooms in the year. Average sales realisation per vehicle almost remained stable at ₹5.83 lakh in FY26 as against ₹5.77 lakh in FY25. However, profitability margins continued to remain moderate with PBILDT margin moderating to 3.29% in FY26 from 3.62% in FY25.
During Q1FY27, the company reported TOI of ₹65.20 crore with sale of 891 vehicles and average realisation of ₹5.82 lakh per vehicle.

Liquidity: Stretched
OMPL's liquidity is stretched marked by current ratio of 1.03x as on FY26 and high average monthly utilization of fund based working capital limit at ~92% for the last 12 months ending July 2026. In FY27, the company's debt repayment obligation stands at Rs.3.41 crore which would be funded partly through cash accruals and partly through unsecured loans from promoters. The

unencumbered cash and bank balance was around Rs.3.17 crore as on March 31, 2026. The management has articulated that promoters would infuse funds as and when required.

Applicable criteria

Definition of Default
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

OSL Motocorp Private Limited (OMPL), incorporated in 2012 operates under OSL group which was founded by Shri Om Prakash Goyal. OMPL started its journey with MSIL in April 2015 under its directors, Mr. Nirmal Kumar Goyal and Mr. Sanjay Kumar Goyal. OMPL is an authorized dealer for passenger vehicles of Maruti Suzuki India Limited (MSIL) having 7 showrooms (6 Arena and 1 Nexa), 1 True Value showroom and 1 workshop across Kolkata and neighbouring areas. The company derives majority of revenue from sale of vehicle and sale of spare parts, pre-owned cars and servicing of vehicles.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (P)
Total operating income	176.19	210.17
PBILDT*	6.38	6.92
Profit after tax (PAT)	0.41	0.57
Overall gearing (times)	3.76	4.05
Interest coverage (times)	1.23	1.30

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

Status of non-cooperation with previous CRA: NA

Any other information: NA

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Simple	-		-	-	5.00	CARE BB-; Stable
Fund-based - ST-Others	RBI	Simple	-		-	-	35.00	CARE A4

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	5.00	CARE BB-; Stable	-	1)CARE BB-; Stable (07-Oct-25)	1)CARE BB-; Stable (18-Mar-25)	-
2	Fund-based - ST-Others	ST	35.00	CARE A4	-	1)CARE A4 (07-Oct-25)	1)CARE A4 (18-Mar-25)	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: NA

Annexure-4: 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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