

G. K. and Sons Automobiles Private Limited

July 25, 2022

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|----------------------------|---|---|--|
| Long Term Bank Facilities | 11.85 | CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 4.00 | CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Facilities | 15.85 (Rs. Fifteen Crore and Eighty-Five Lakhs Only) | | |

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 20, 2021, placed the rating(s) of G. K. and Sons Automobiles Private Limited (GKSAPL) under the 'issuer non-cooperating' category as GKSAPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. GKSAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 05, 2022, April 15, 2022, April 25, 2022.

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.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [May 20, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Incorporated in November 2007, G. K. and Sons Automobiles Private Limited (GKSAPL) is an authorized distributor of Tata Motors Limited for light commercial vehicle and heavy commercial vehicle for spares & accessories in Raipur, Chhattisgarh.

| Brief Financials (Rs. crore) | FY20(A) | FY21(A) | FY22(Prov.) | Q1FY23(Prov.) |
|------------------------------|---------|---------|-------------|---------------|
| Total operating income | 91.32 | 106.21 | NA | NA |
| PBILDT | 2.75 | 3.33 | NA | NA |
| PAT | 0.44 | 1.49 | NA | NA |
| Overall gearing (times) | 3.81 | 2.36 | NA | NA |
| Interest coverage (times) | 1.41 | 2.07 | NA | NA |

A - Audited, Prov. Provisional, NA – Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE's publications

*Issuer did not cooperate; Based on best available information

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 along with Rating Outlook |
|--|------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based - LT-Term Loan | | - | - | March 2021 | 0.50 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Cash Credit | | - | - | - | 7.00 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Electronic Dealer Financing Scheme | | - | - | - | 3.30 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Stand by Limits | | - | - | - | 1.05 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 4.00 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|--|---|--|--|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 0.50 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-May-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Apr-20) | - |
| 2 | Fund-based - LT-Cash Credit | LT | 7.00 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-May-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Apr-20) | - |
| 3 | Fund-based - LT-Electronic Dealer Financing Scheme | LT | 3.30 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-May-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Apr-20) | - |
| 4 | Fund-based - LT-Stand by Limits | LT | 1.05 | CARE B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-May-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-Apr-20) | - |
| 5 | Non-fund-based - ST-Bank Guarantee | ST | 4.00 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (20-May-21) | 1)CARE A4; ISSUER NOT COOPERATING* (22-Apr-20) | - |

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - Not Applicable**Annexure 4: Complexity level of various instruments rated for this Company**

| Sr. No. | Name of Instrument | Complexity Level |
|---------|--|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Electronic Dealer Financing Scheme | Simple |
| 3 | Fund-based - LT-Stand by Limits | Simple |
| 4 | Fund-based - LT-Term Loan | Simple |
| 5 | Non-fund-based - ST-Bank Guarantee | Simple |

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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