

M.G. Autosales Private Limited

December 29, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	14.75	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	0.25	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	15.00 (₹ Fifteen Crore Only)		

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 14, 2021, placed the rating(s) of M.G. Autosales Private Limited (MGPL) under the 'issuer non-cooperating' category as MGPL 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. MGPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 30, 2022, September 09, 2022, September 19, 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 [October 14, 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

Lucknow (Uttar Pradesh) based M.G. Autosales Private Limited (MGPL) was incorporated in 2008. The company is currently being managed by Mr. Abhishek Agarwal, Mr. M.K. Agarwal, Mrs. Vani Agarwal and Mr. Mudita Agarwal. MGPL is an authorized dealer for passenger cars manufactured by Honda Cars India Limited and operates under the brand name 'Stallion Honda'. The company manages its operations through its 3S (Sales, spare service) facility located in Lucknow, Uttar Pradesh.

Brief Financials (₹ crore)	FY21(A)	FY22(A)	H1FY23(Prov.)
Total operating income	47.18	54.43	NA
PBILDT	1.95	2.71	NA
PAT	0.38	0.40	NA
Overall gearing (times)	3.02	3.33	NA
Interest coverage (times)	1.37	1.85	NA

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Available

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

Covenants of rated instrument/facility: Please refer Annexure-3

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

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

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-Electronic Dealer Financing Scheme	-	-	-	-	14.75	CARE B-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	0.25	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) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Electronic Dealer Financing Scheme	LT	14.75	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (14-Oct-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (11-Sep-20)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Jul-19)
2	Non-fund-based - ST-Bank Guarantee	ST	0.25	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Oct-21)	1)CARE A4; ISSUER NOT COOPERATING* (11-Sep-20)	1)CARE A4; ISSUER NOT COOPERATING* (17-Jul-19)

*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-Electronic Dealer Financing Scheme	Simple
2	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 instruments: CARE Ratings 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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