

Press Release

My Car Private Limited

April 11, 2023



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	48.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	48.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating rating from '**ACUITE BB-**' (read as **ACUITE double B minus**) to '**ACUITE B+**' (read as **ACUITE B plus**) Rs.48.00 crore bank facilities of My Car Private Limited(MCPL). This rating is now an indicative rating and is based on best available information. Rating has been downgraded on account of information risk on account of issuer non cooperation.

About the Company

Kanpur based, My Car Private Limited was incorporated in 2000 and the company has dealership of Maruti Suzuki India Ltd (MSIL). The company is currently being managed by Sh. Purshottam Das Garg and Mrs. Kavita Garg. The company currently runs four showrooms, one each at Kanpur, Bandha, Karvi and Farukabad. Additionally, the company has two sales extension counter at Ghatampur and Kayamganj also the company has ten workshops, five in Kanpur and one each in Bandha, Karvi, Ghatampur, Kayamganj and Farukabad. The company also has one dealership under Maruti True Value system in Kanpur and deals in spare parts and accessories manufactured by MSIL.

About the Group

The Group was established in the year 2000 by a leading business family of Kanpur, to provide for as a "One Stop" solution for sale, spare and service of Maruti-Suzuki products. Over the years the group has diversified into other ventures. The group's business includes sales, spares and servicing of Maruti Suzuki vehicles, as well as of Tata commercial vehicles. The Group also offers extended service contracts. The group is also engaged in the business of purchase and sale of used vehicles under "True Value" brand of Maruti Suzuki India Ltd.

Non-cooperation by the issuer/borrower

Acuite has been requesting for the key informations for the rating purpose from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather

information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials:

The rated entity has not shared the latest financial statements for Acuite to comment.

Status of non-cooperation with previous CRA

Crisil vide its press release dated 27.3.2023, had reaffirmed the company to CRISIL B+/A4 (Stable); INC.

Any other information

Acuite is yet to receive the latest No Default Statement despite repeated requests and followups.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 Jan 2022	Proposed Bank Facility	Long Term	11.00	ACUITE BB- Stable (Assigned)
	Inventory Funding	Long Term	8.00	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	13.00	ACUITE BB- Stable (Assigned)
	Channel Financing	Long Term	16.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	13.00	ACUITE B+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Channel/Dealer/Vendor Financing	Not Applicable	Not Applicable	Not Applicable	Simple	16.00	ACUITE B+ Downgraded Issuer not co-operating*
ICICI Bank Ltd	Not Applicable	Inventory Funding	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE B+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	11.00	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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