



Press Release

FPL Automobiles Private Limited

April 11, 2022

Ratings:

(INR Crore)

Instrument / Facility	Amount	Ratings	Rating Action	Complexity Indicator
Long Term Fund based facilities- Term Loan	7.07	IVR BB ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Short Term Fund Based Bank Facilities - Inventory Funding/ED FS	50.50	IVR A4 ISSUER NOT COOPERATING* (IVR A4 ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Proposed Long Term Bank Facilities	2.43	IVR BB ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Total	60.00			

* Issuer did not cooperate; based on best available information.

Details of Facilities are in Annexure 1

Detailed Rationale:

The rating downgrade is because of lack of adequate information regarding FPL Automobiles Private Limited's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications February 15, 2022, February 17, 2022, February 24, 2022, March 10, 2022, March 22, 2022, and telephonic follow



Press Release

ups. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to INR 60.00 Crore of FPL Automobiles Private Limited shall be rated as IVR BB ISSUER NOT COOPERATING*.

*Issuer Not Co-operating based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

Rating Methodology for [Manufacturing Companies](#)

[Financial Ratios & Interpretation](#) (Non-Financial Sector)

[Guidelines on what constitutes Non-Cooperation by clients.](#)

About the Company:

FPL Automobiles Private Limited (FPL HYUNDAI) is an authorized dealer of Hyundai Motor Company for vehicles and spare parts in the assigned territory of Greater Chennai. Started in 2015 with a single showroom and a service centre, company currently have 5 showroom and 4 service centres as of 2020, serviced more than 60,000+ customers. FPL HYUNDAI is currently managed by Mr. Venkateswaran Sekar, Mr. Narayanasamy Mohan, Mr. Vinay Mohan & Mr. Sai Krishna Sekar. Prior to establishing FPL HYUNDAI, the directors had previous experience in Electrical & Electronics, Heavy Equipment Industries, Pumps, Infrastructure, Home Appliances, Textiles, Engineering & plastic manufacturing. The company had received many awards & recognitions from Hyundai Motor Company.



Press Release

Financials: Standalone

For the Year ended as on	31-03-2020 (Audited)	31-3-2021 (Audited)
Total Operating Income	268.73	269.63
EBITDA	10.56	9.13
PAT	2.53	2.36
Total Debt	44.12	37.98
Tangible Net-worth	6.55	8.99
Ratios		
EBITDA Margin (%)	3.93	3.39
PAT Margin (%)	0.94	0.87
Overall Gearing Ratio (x)	6.74	4.22

Status of non-cooperation with previous CRA: CareEdge Ratings in its press release published on January 07, 2022, has continued to classify the rating under Issuer Not Cooperating status on account of non-submission of relevant information.

Any other information: NA

Rating History for last three years:

(Rs. Crore)

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21 (16/2/2021)	Date(s) & Rating(s) assigned in 2019-20
1.	Long Term Fund based facilities - Term Loan	Long Term	7.07	IVR BB ISSUER NOT COOPERATING	---	IVR BB/Stable	---
2.	Short Term Fund Based Bank Facilities - Inventory Funding/ED FS	Short Term	50.50	IVR A4 ISSUER NOT COOPERATING	--	IVR A4	--



Press Release

3.	Proposed Long Term Bank Facilities	Long Term	2.43	IVR BB ISSUER NOT COOPERA TING	--	IVR BB/Stable	--
----	------------------------------------	-----------	------	--	----	------------------	----

** Issuer did not cooperate (INC); based on best available information.*

Name and Contact Details of the Rating Team:

Name: Shruti Sagothia

Tel.: (022) 6239 6023

Email: shruti.sagothia@infomerics.com

Mr. Amit Bhuwania

Tel.: (022) 6239 6023

Email: abhuaniania@infomerics.com

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy, or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors



Press Release

Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Fund based facilities - Term Loan	--	--	Up to March 2027	7.07	IVR BB ISSUER NOT COOPERATING*
Short Term Fund Based Bank Facilities - Inventory Funding/EDFS	--	--	--	50.50	IVR A4 ISSUER NOT COOPERATING*
Proposed Long Term Bank Facilities	--	--	--	2.43	IVR BB ISSUER NOT COOPERATING*

** Issuer did not cooperate; based on best available information.*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at www.infomerics.com.