

April 19, 2024

French Motor Car Co. Ltd.: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	14.50	14.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Long Term / Short Term-Unallocated	0.50	0.50	[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Total	15.00	15.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and Short-Term rating of French Motor Car Co. Ltd. in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with French Motor Car Co. Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology –Automobile Dealers
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

The French Motor Car Co. Ltd. (FMCCL) was established as a proprietorship concern in 1905 by a French-American diamond merchant. Later, in 1920 it was converted into a public limited company. In 1954, FMCCL became an authorised dealer for Tata Motors Limited's (TML) products (commercial vehicle, spares) and services. The dealership network of FMCCL is spread across the states of West Bengal (Kolkata, Howrah and Asansol) and Assam (Guwahati). FMCCL has four showrooms, one each in Kolkata with 1S (sale) facility, Howrah, Asansol and Guwahati with 3S (sale, spares and services) facilities and two workshops with 1S (service) facility, one each in Guwahati and Asansol. It also has three small offices (two in West Bengal and one in Assam) with display space of two vehicles each.

Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	2.6	1.6
PAT	0.2	0.1
OPBDIT/OI	31.3%	42.5%
PAT/OI	9.2%	8.7%
RoCE (%)	1.3%	1.0%
Total outside liabilities/Tangible net worth (times)	0.1	0.1
Total debt/OPBDIT (times)	-	-
Interest coverage (times)	-	52.5

Source: MCA

Status of non-cooperation with previous CRA:NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Apr 19, 2024			
1	Cash Credit	Long Term	14.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
5	Unallocated	Long Term/ Short Term	0.50	-	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	14.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.50	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING

Source: French Motor Car Co. Ltd.

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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Branches



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