

November 21, 2015

Facility	Amount (Rs. Crore)	Rating
<b>Cash Credit</b>	<b>4.00</b>	<b>SMERA D (Assigned)</b>
<b>Term Loan</b>	<b>0.54</b>	<b>SMERA D (Assigned)</b>

SMERA has assigned a rating of '**SMERA D** (read as **SMERA D**) to the Rs.4.54 crore bank facility of KLN Motor Agencies Private Limited (KLN). The rating reflects delays in servicing of debt obligations on account of a weak liquidity position. The rating is also constrained by the highly fragmented and competitive industry that the company operates in. However, the rating draws support from the experienced management.

#### Rating Sensitivity Factors

- Curing of default.
- Ability to scale up operations while maintaining comfortable liquidity position.

#### About the Company

KLN, incorporated in 2007, is a Chennai-based company promoted by K.Chandrasekar, Rajesh Ganapathy, and K. Annapurna. The company is an authorized dealer for passenger vehicles of General Motors (GM) India Private Limited (Chevrolet) in Chennai.

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