

Press Release
KLN Motor Agencies Private Limited

June 01, 2018



Rating Update

Total Bank Facilities Rated	Rs. 6.28 Cr. #
Long Term Rating	ACUITE B Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has reviewed the the long-term rating of '**ACUITE B**' (**read as ACUITE B**) on the Rs.6.28 crore bank facilities of KLN Motor Agencies Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>

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). Acuité 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.

About the Rated Entity:

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

For FY2015-16, KLN reported profit after tax (PAT) of Rs.0.21 cr on operating income of Rs.83.10 cr, as compared to profit after tax (PAT) of Rs.0.07 cr on operating income of Rs.86.00 cr in FY2014-15.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
29-Mar-17	Secured Overdraft	Long term	4.00	ACUITE B/ Stable (Upgraded)
	Term Loan	Long term	0.28	ACUITE B/ Stable (Upgraded)
	Term Loan	Long term	0.26	ACUITE B-/ Stable (Withdrawn)
	Proposed Bank Facility	Long term	2.00	ACUITE B/ Stable (Assigned)
09-Mar-16	Cash Credit	Long term	4.00	ACUITE B-/ Stable (Upgraded)
	Term Loan	Long term	0.54	ACUITE B-/ Stable (Upgraded)
21-Nov-15	Cash Credit	Long term	4.00	ACUITE D (Assigned)
	Term Loan	Long term	0.54	ACUITE D (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.28	ACUITE B Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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