



**Press Release**  
**Lanson Motors Private Limited**  
**October 09, 2024**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	170.00	ACUITE B+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	170.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* The issuer did not co-operate; based on best available information.			

**Rating Rationale**

Acuite has downgraded the long-term rating to ‘ACUITE B+’ (read as ACUITE B plus) from ‘ACUITE BB-’ (read as ACUITE double B minus) on the Rs.170 crore bank facilities of Lanson Motors Private Limited (LMPL) on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

**About the Company**

Chennai based, Lanson Motors Private Limited (LMPL) was incorporated in 1998 by Mr. M Lankalingam and his wife Mrs. Reeta Lankalingam. Currently, the company is managed by Mr. M Lankalingam and son Mr. Sivanka Lankalingam. The company is an authorized dealer for Toyota Kirloskar Motor Private Limited (TKMPL) in North Tamil Nadu and Puducherry. The company operates on 3S model (sales, service and spares) and also runs Toyota driving school.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower:**

Acuite 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 the 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 Acuité’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). Acuité endeavored 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 Sensitivity**

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

### **Liquidity Position**

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

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	963.69	667.95
PAT	Rs. Cr.	31.19	17.95
PAT Margin	(%)	3.24	2.69
Total Debt/Tangible Net Worth	Times	0.51	0.59
PBDIT/Interest	Times	15.70	8.77

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Jul 2023	Proposed Long Term Bank Facility	Long Term	21.66	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	6.87	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	53.50	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Inventory Funding	Long Term	5.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Inventory Funding	Long Term	3.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Inventory Funding	Long Term	3.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	11.76	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	16.21	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.73	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.28	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.36	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Inventory Funding	Long Term	25.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Inventory Funding	Long Term	11.00	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	8.05	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.33	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.66	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.59	ACUITE BB- (Reaffirmed & Issuer not co-operating*)
19 Apr 2022	Proposed Long Term Bank Facility	Long Term	21.66	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	6.87	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Cash Credit	Long Term	53.50	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Inventory Funding	Long Term	5.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Inventory Funding	Long Term	3.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Inventory Funding	Long Term	3.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	11.76	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	16.21	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	0.73	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	1.28	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Term Loan	Long Term	0.36	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
	Inventory Funding	Long Term	25.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)

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

	Inventory Funding	Long Term	11.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
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	Term Loan	Long Term	0.59	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB   Stable)
05 Feb 2021	Cash Credit	Long Term	53.50	ACUITE BB   Stable (Reaffirmed)
	Inventory Funding	Long Term	3.00	ACUITE BB   Stable (Reaffirmed)
	Inventory Funding	Long Term	5.00	ACUITE BB   Stable (Reaffirmed)
	Inventory Funding	Long Term	25.00	ACUITE BB   Stable (Reaffirmed)
	Inventory Funding	Long Term	11.00	ACUITE BB   Stable (Reaffirmed)
	Inventory Funding	Long Term	3.00	ACUITE BB   Stable (Reaffirmed)
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	Term Loan	Long Term	1.33	ACUITE BB   Stable (Reaffirmed)
	Term Loan	Long Term	0.66	ACUITE BB   Stable (Reaffirmed)
	Term Loan	Long Term	0.59	ACUITE BB   Stable (Reaffirmed)

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**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	53.50	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Axis Bank	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
HDFC Bank Ltd	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Sundaram Finance Ltd.	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Toyota Financial Services India Ltd.	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
LEXUS-Toyota Financial Services	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.66	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.87	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.05	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Toyota Financial Services India Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.33	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Toyota Financial Services India Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.66	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Toyota Financial Services India Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.59	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Kotak Mahindra Prime Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.76	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Kotak Mahindra Prime Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.21	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
* The issuer did not co-operate; based on best available information.								ACUITE B+

ICICI Bank Ltd	/ Not appl.	Term Loan	Not avl. / Not appl.	/ Not appl.	Not avl. / Not appl.	0.73	Simple	Downgraded   Issuer not co-operating* ( from ACUITE BB- )
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.28	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Axis Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.36	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

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## Contacts

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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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