

## Kanchana Automobiles Private Limited

November 29, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	12.00	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated October 18, 2023, placed the rating(s) of Kanchana Automobiles Private Limited (KAPL) under the 'issuer non-cooperating' category as KAPL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. KAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated September 02, 2024, September 12, 2024, September 22, 2024 among others.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [October 18, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on Default Recognition](#)
[Criteria on assigning outlook and credit watch](#)

### About the Company

Kanchana Automobiles Pvt Ltd (KAPL) was incorporated in 2005 by Mr. Prasadraj Kanchan and Mrs. Sukanya Kanchan. The company is engaged in the business of automobile dealership for Hyundai Motor India Limited (HMIL). The company has 5 showrooms and 3 service centers located at Udupi, Puttur, Mangalore, Sirsi and Karwar. The promoter also has dealerships for TVS Motors (3 wheelers) under Kanchana Motors, Ashok Leyland Limited under Kanchana Automotive and Honda Motorcycles under Kanchana Udyog.

**Status of non-cooperation with previous CRA:** Acuite has continued the ratings assigned to the bank facilities of KAPL to the 'issuer not-cooperating' category vide press release dated May 07, 2024 on account of its inability to carryout review in the absence of requisite information from the company.

**Any other information:** Not Applicable

**Rating History for last three years:** Annexure-2

**Covenants of rated instruments/facilities:** Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Electronic Dealer Financing Scheme		-	-	-	12.00	CARE B+; Stable; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Electronic Dealer Financing Scheme	LT	12.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (18-Oct-23)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (14-Sep-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (07-Jul-21)

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

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Electronic Dealer Financing Scheme	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please <a href="#">click here</a>
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**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

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**About us:**

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