

Leela Krishna Automobiles Private Limited

August 24, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	29.04	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Total Bank Facilities	29.04 (Rs. Twenty-Nine Crore and Four Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 11, 2022, placed the rating(s) of Leela Krishna Automobiles Private Limited (LKAPL) under the 'issuer non-cooperating' category as LKAPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. LKAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 22, 2022.

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).

The rating assigned to the bank facilities of LKAPL have been revised on account of on-going delays in debt servicing recognized from publicly available information as well as lender's feedback.

Detailed description of the key rating drivers

Please refer to PR dated [July 11, 2022](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

Leela Krishna Automobiles Private Limited (LKAPL) belongs to Radha Group Toyota of Vijayawada, Andhra Pradesh established in 1964 as a trading organization. Radha Group Toyota is engaged in the business of sales and service of passenger vehicles of Toyota Kirloskar Motors Pvt Limited (TKML) and it is an authorized dealer of TKML. The group was promoted by Mr. M Subrahmanyam (Chairman), who has more than five decades of experience in trading and more than two decades of experience in automobile industry. Mr. M Srinivas (Managing Director) has more than two decades of experience in automobile industry. The group comprises of four automobile companies namely Radha Krishna Automobiles Private Limited, Radhamadhav Automobiles Private Limited, Leela Krishna Automobiles Private Limited and Yashodakrishna Automobiles Private Limited located in Andhra Pradesh and Telangana. These four companies are in to similar line of business catering to different regions in both states. RMAPL and LKAPL are operating in the state of Andhra Pradesh, whereas RKAPL and YKAPL are operating in the state of Telangana with a total of 15 showrooms in both the states.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23(Prov.)
Total operating income	245.88	190.61	NA	NA
PBILDT	3.24	4.46	NA	NA
PAT	0.47	0.23	NA	NA
Overall gearing (times)	6.80	8.31	NA	NA
Interest coverage (times)	0.88	1.37	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Brickwork has moved the ratings of LKAPL to 'Issuer Not Cooperating' category vide press release dated August 18, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	4.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	May 2023	13.19	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Electronic Dealer Financing Scheme		-	-	-	11.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Vendor financing		-	-	-	0.35	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	4.00	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Jul-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-May-21)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE BB+; Positive (01-Apr-19)
2	Fund-based - LT-Term Loan	LT	13.19	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Jul-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-May-21)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE BB+; Positive (01-Apr-19)
3	Fund-based - LT-Electronic Dealer Financing Scheme	LT	11.50	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Jul-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-May-21)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE BB+; Positive (01-Apr-19)

4	Fund-based - LT-Vendor financing	LT	0.35	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (11-Jul-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-May-21)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (18-Mar-20) 2)CARE BB+; Positive (01-Apr-19)
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*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Electronic Dealer Financing Scheme	Simple
3	Fund-based - LT-Term Loan	Simple
4	Fund-based - LT-Vendor financing	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact

Mr. Mradul Mishra
Contact No.: +91-22-6837 4424
Email ID – mradul.mishra@careedge.in

Analyst Contact

Ms. Shachee Vyas
Contact No.: +91-79-4026 5665
Email ID – shachee.tripathi@careedge.in

Relationship contact

Name: Ramesh Bob Asineparthi
Phone: +91 90520 00521
E-mail: ramesh.bob@careedge.in

About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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