

March 21, 2024

## Indraprastha Automobiles Private Limited: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based - Cash Credit	48.50	48.50	[ICRA]B+(Stable);ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non-Fund Based-Others	6.50	6.50	[ICRA]A4;ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>55.00</b>	<b>55.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has kept the Long-Term and Short-term rating for the Bank facilities of Indraprastha Automobiles Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable);ISSUER NOT COOPERATING/[ICRA]A4;ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Indraprastha Automobiles Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology - Automobile Dealers</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Indraprastha Automobiles Private Limited (IAPL) is an authorized dealer of vehicles manufactured by Mahindra & Mahindra Limited (M&M) in the Delhi region. IAPL started its operations in the year 2005 from its Rama Road premises. The company currently has 13 facilities out of which 9 are 3S facilities and others are single S facilities with offering sales, service or spares.

## Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	262.962	495.553
PAT (Rs. crore)	3.67	9.02
OPBDITA/OI (%)	2.83%	3.50%
PAT/OI (%)	1.40%	1.82%
Total Outside Liabilities/Tangible Net Worth (times)	3.04	3.19
Total Debt/OPBDITA (times)	2.75	2.78
Interest Coverage (times)	6.60	5.10

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Source: MCA

## Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	[CRISIL]B(Stable)/[CRISIL]A4; ISSUER NOT COOPERATING	March 15,2023

## Any other information: None

## Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021	
					Mar 21, 2024	Feb 27, 2023	Dec 24, 2021	Oct 30, 2020
1	Fund Based - Cash Credit	Long Term	48.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING
2	Non-Fund Based-Others	Short Term	6.50	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term-Fund Based -Cash Credit	Simple
Short Term-Non-Fund Based-Others	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

## Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term-Fund Based - Cash Credit	-	-	-	48.50	[ICRA]B+(Stable);ISSUER NOT COOPERATING
NA	Short Term-Non-Fund Based-Others	-	-	-	6.50	[ICRA]A4; ISSUER NOT COOPERATING

Source: Indraprastha Automobiles Private Limited

## Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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For more information, visit [www.icra.in](http://www.icra.in)

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### Branches



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