

March 18, 2025

## Adarsha Automotives 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	107.20	107.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	17.32	17.32	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	5.48	5.48	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>130.00</b>	<b>130.00</b>	

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

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

### Rationale

ICRA has kept the Long-Term and Short-Term ratings of Adarsha Automotives Private Limited in the 'Issuer Not Cooperating' category. The ratings are 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 Adarsha Automotives 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="#">Automobile Dealers</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

## About the company

Incorporated as a private limited company in January 2006 by Mr. Satyanarayana Goud and family, Adarsha Automotives Private Limited (AAPL) is the sole authorized dealer for Maruti Suzuki India Limited for sale of passenger cars along with spares and services in the 9 districts of Telangana. The company operates 23 showrooms, 17 workshops in these districts. AAPL is a part of Adarsha group which comprises of Adarsha Auto Private Limited authorized dealership for Maruti Suzuki India Limited (NEXA), Adarsha Motor Sales, Susheel Motors, Adarsha Automobiles, Thirumal Motors - authorized distributors for TVS motors limited in different parts of Telangana.

## Key financial indicators:

Standalone	FY 2022 (Rs. In Crore)	FY 2023 (Rs. In Crore)
Operating Income (Rs. crore)	577.49	797.28
PAT (Rs. crore)	5.60	11.22
OPBDITA/OI (%)	4.1%	3.9%
PAT/OI (%)	1.0%	1.4%
Total Outside Liabilities/Tangible Net Worth (times)	2.67	2.60
Total Debt/OPBDITA (times)	4.92	4.86
Interest Coverage (times)	2.05	2.85

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

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

## Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years					
	Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023			Date & Rating in FY2022	
			18-Mar-2025	24-Jan-2024	28-Nov-2022	18-Jul-2022	04-Apr-2022	02-Apr-2021	
1 Cash Credit	Long Term	107.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable)	[ICRA]BB+(Stable)	[ICRA]BB+(Stable)	
2 Term Loan	Long Term	17.32	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable)	[ICRA]BB+(Stable)	[ICRA]BB+(Stable)	
3 Unallocated	Long Term/ Short Term	5.48	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB+(Stable)/ [ICRA]A4+	[ICRA]BB+(Stable)/ [ICRA]A4+	[ICRA]BB+(Stable)/ [ICRA]A4+	

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple

**Unallocated**

Not Applicable

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-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	107.20	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Term Loan	FY 2020	-	FY 2026	17.32	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	5.48	[ICRA]B+ (Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING

Source: Adarsha Automotives Private Limited

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

## ANALYST CONTACTS

**Shamsher Dewan**  
+91 12 4454 5300  
[shamsherd@icraindia.com](mailto:shamsherd@icraindia.com)

**Subhechha Banerjee**  
+91 33 7150 1130  
[subhechha.banerjee@icraindia.com](mailto:subhechha.banerjee@icraindia.com)

**Sweety Shaw**  
+91-033 7150 1180  
[sweety.shaw@icraindia.com](mailto:sweety.shaw@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91-022-61693300  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

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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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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## ICRA Limited



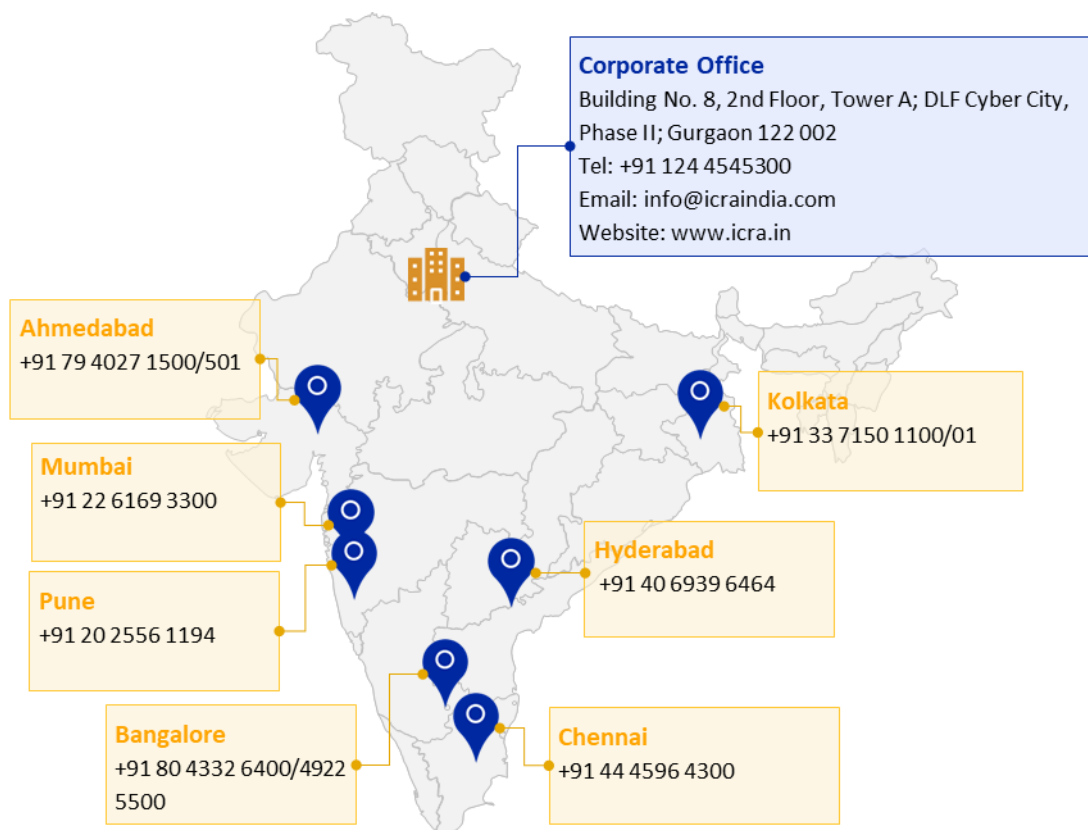
### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001,

Telephone Numbers.: +91-11-23357940-45



### Branches



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