

Press Release

Lekh Raj & Sons (LRS)

23 April, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 48.50 Cr. #
Long Term Rating	ACUITE D Downgraded; Issuer not co-operating*

Refer Annexure for details`

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

Acuite has downgraded the long term rating of '**ACUITE B+**' (read as **Acuite B plus**) to '**ACUITE D**' (read as **Acuite D**) on the Rs.48.50 crore bank facilities of Lekh Raj & Sons. This rating is now an indicative rating and is based on best available information.

Acuite has relied on publicly available information with regards to the account conduct.

Lekh Raj & Sons (LRS), a Haryana based partnership firm established in 2012 by Mr. Arun Miglani. The firm is engaged in the processing of par-boiled basmati rice.

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of LRS to arrive at this rating.

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 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 Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
02-Jan-2020	Cash Credit	Long Term	45.00	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	1.50	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	2.00	ACUITE B+ Issuer not co-operating*
06-Oct-2018	Cash Credit	Long Term	45.00	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	1.50	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	2.00	ACUITE B+ Issuer not co-operating*
22-Apr-2017	Cash Credit	Long Term	45.00	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	1.50	ACUITE B+ Issuer not co-operating*
	Term Loan	Long Term	2.00	ACUITE B+ Issuer not co-operating*

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	45.00	ACUITE D Downgraded; Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE D Downgraded; Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Downgraded; Issuer not co-operating

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUITE Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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