



Press Release
Life Care
August 01, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.60	ACUITE B- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	0.40	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	21.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B-**' (read as **ACUITE B minus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.21.00 Cr. bank facilities of Life Care (LC). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Established in 1996, Life Care (LC), an Indore based entity is a partnership firm concern promoted by Mr. Vishal Rai, Mrs. Vinita Rai & Mrs. Timsi Rai. The firm is engaged in the business of serving as C & F agents for various sectors such as pharmaceuticals, electronic durable goods, tea, paints, automobile, FMCG etc. LC also provides related services such as carrying & forwarding, warehousing, renting activity, transportation services, order processing, logistics and office facility to the clients. The firm's network and clients are spread across MP, Chhattisgarh and Maharashtra.

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 the 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.

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 endeavoured 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.

Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 19 (Actual)	FY 18 (Actual)
Operating Income	Rs. Cr.	13.53	12.49
PAT	Rs. Cr.	0.26	0.07
PAT Margin	(%)	1.91	0.56
Total Debt/Tangible Net Worth	Times	5.13	5.77
PBDIT/Interest	Times	1.67	2.02

Status of non-cooperation with previous CRA

Not Applicable

Any other information

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

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 May 2022	Cash Credit	Long Term	2.00	ACUITE B- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	7.36	ACUITE B- (Issuer not co-operating*)
	Term Loan	Long Term	4.86	ACUITE B- (Issuer not co-operating*)
	Term Loan	Long Term	6.38	ACUITE B- (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.40	ACUITE A4 (Issuer not co-operating*)
05 Feb 2021	Term Loan	Long Term	4.86	ACUITE B- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	7.36	ACUITE B- (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE B- (Issuer not co-operating*)
	Term Loan	Long Term	6.38	ACUITE B- (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.04	ACUITE A4 (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	0.40	ACUITE A4 Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE B- Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	7.36	ACUITE B- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	6.38	ACUITE B- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.86	ACUITE B- Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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