

Press Release

Lone Star Holdings Private Limited

February 22, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 20.00 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Short Term Rating	ACUITE A4+ 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 to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reviewed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 20.00 crore bank facilities of Lone Star Holdings Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Lone Star Holdings Private Limited (LHPL), a non-deposit taking NBFC incorporated in 1987, commenced commercial operations in 2012 at Kolkata to provide medical equipments on operating lease. The company also offers term financing of medical equipments. Typically, in a lease contract, the asset life is around five to eight years. The company leases out the medical equipment for around 36 months to a hospital (primary lessee). On expiry of the primary lease, the contract is either renewed or the asset is deployed in a hospital/diagnostic center in a Tier 2 city under secondary lease arrangement. Directors of Lone Star Holdings Pvt Ltd are Atish Shah, Sundeep Ramgarhia, Saloni Ramgarhia

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.

This rating continues to be 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>
- Non- Banking Financing Entities - <https://www.acuite.in/view-rating-criteria-44.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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

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)

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
Dec 18, 2019	Term Loan	Long Term	5.00	ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	5.00	ACUITE BB Issuer not co-operating*
	Letter of Credit	Short Term	10.00^	ACUITE A4+ Issuer not co-operating*
Oct 04, 2018	Term Loan	Long Term	5.00	ACUITE BB/stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE BB/stable (Reaffirmed)
	Letter of Credit	Short Term	10.00^	ACUITE A4+ (Reaffirmed)
Jul 22, 2017	Term Loan	Long Term	5.00	ACUITE BB/stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE BB/stable (Reaffirmed)
	Letter of Credit	Short Term	10.00^	ACUITE A4+ (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Available	Not Applicable	Not Available	5.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	5.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00^	ACUITE A4+ 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 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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