

## Press Release

Lone Star Holdings Private Limited

May 26, 2022



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	-	ACUITE A4   Downgraded   Issuer not co-operating*
Bank Loan Ratings	10.00	ACUITE B+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	20.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and downgraded the short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from **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.

### About the Company

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

### 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.

### Rating Sensitivity

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

### Material Covenants

Not Applicable

### Liquidity Position

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

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Status of non-cooperation with previous CRA

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

### Applicable Criteria

- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Feb 2021	Letter of Credit	Short Term	10.00	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
18 Dec 2019	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*)
	Term Loan	Long Term	5.00	ACUITE BB (Issuer not co-operating*)
04 Oct 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)

22 Jul 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)
07 Nov 2016	Term Loan	Long Term	10.00	ACUITE BB   Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indian Overseas Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4   Downgraded   Issuer not co-operating*
Janlakshmi Financial Services Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	5.00	ACUITE B+   Downgraded   Issuer not co-operating*
Indian Overseas Bank	Not Applicable	Term Loan	Not available	Not available	Not available	5.00	ACUITE B+   Downgraded   Issuer not co-operating*

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### About Acuité Ratings & Research

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