

Press Release

L D Solvex Private Limited

October 04, 2018

Rating Update



Total Bank Facilities Rated	Rs. 7.85 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B**' (read as **ACUITE B**) on the Rs. 7.85 crore bank facilities of L D Solvex Private Limited (LDSPL). This rating is now an indicative rating and is based on best available information.

The downgrade is on account of continuous delays in servicing debt obligation.

Non-cooperation by the issuer/borrower:

Acuité 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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-4.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

The Punjab based, LDSPL was incorporated in 1997 by Mr. Pradeep Kumar and Mr. Rakesh Kumar. The company is engaged in the extraction and manufacturing of crude rice bran oil and de-oiled cake. The installed capacity stands at ~300 tonnes per day. The company procures its key raw materials i.e. paddy and rice bran from local mandis and farmers and sells its products i.e. rice bran oil to refineries in Punjab and Haryana.

For FY2016-17 (Provisional), the company reported profit after tax (PAT) of Rs.0.09 crore on operating income of Rs.22.22 crore compared with PAT of Rs.0.06 crore on operating income of Rs.20.18 crore in FY2015-16. The net worth stood at Rs.1.59 crore as on 31 March, 2017 (Provisional) against Rs.1.51 crore a year earlier.

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

None

Any other information

Acuité 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. Cr)	Ratings/Outlook
28-Oct-2017	Term Loan	Long Term	0.85	ACUITE B /Stable (Assigned)
	Cash Credit	Long Term	7.00	ACUITE B /Stable (Assigned)

#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 Applicable	Not Applicable	Not Applicable	0.85	ACUITE D* (Downgraded from ACUITE B /Stable)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE D* (Downgraded from ACUITE B /Stable)

*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 SMERA 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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