

Press Release

Lucky Yarn Tex India Private Limited

October 13, 2021

Rating Upgraded



Total Instruments Rated*	Rs. 157.00 Cr
Long Term Rating	ACUITE BBB+/ Outlook: Stable (Upgraded)

* Refer Annexure for details

Rating Rationale

Acuite has upgraded its long term rating to '**ACUITE BBB+**' (read as **ACUITE triple B 'Plus'**) from '**ACUITE BBB**' (read as **ACUITE triple 'B'**) on the Rs.157.00 Cr bank facilities of Lucky Yarn Tex India Private Limited (LYTIPL). The outlook is '**Stable**'.

Rationale for rating upgrade

The rating upgrade factors in strong performance of Lucky Group in the challenging external environment conditions during FY2021, ability of the group to demonstrate improvement in absolute EBITDA and EBITDA margin in FY2021 despite the moderation in the total revenue due to the impact of Covid-19 pandemic on the business operations of the group during the Q1 of FY2021. The rating revision also factors in the positive demand outlook witnessed by the group in Q1 of FY2022. The absolute EBITDA of the group has improved to Rs.68.14 Cr in FY2021 (Prov) against Rs.63.71 Cr in FY2020. The improvement is attributable to decrease in operational overheads, reduction in power cost and savings due to reduction in conversion cost on account of higher integration between the Lucky Yarn Tex India Private Limited (LYTIPL) and Lucky Weavess India Private Limited (LWIPL). The growth in demand in FY2022 is evident from strong Year-to-date (YTD) financials posted by the group. The group's revenue was recorded at Rs.137.04 Cr in Q1 of FY2022 against Rs.24.69 Cr in Q1 of FY2021, an increase by 455 percent Quarter on Quarter (QoQ) basis.

The group in FY2022 has availed long term debt for capital expenditure towards the capacity expansion by increasing the capacity of Vortex and Air-Jet looms. Besides, the group is setting up a Solar power unit of 10 MW to reduce the reliance on external power sources and increase own captive power generation. The group with on-going huge capex plans, has maintained efficient working capital management by ensuring sufficient cash flows in day-to-day operations leading to working capital banking limits utilized at a moderate level. Lucky Group is expected to capitalize on the increase in demand through on-going capex plans for capacity expansion and cost reduction over the near to medium term.

About the Company

Lucky Yarn Tex India Private Limited (LYTI) was incorporated in the year 2006 as an integrated spinning and weaving unit in Erode Tamil Nadu. The company is engaged in manufacturing of viscose yarn, cotton yarn and fabric. The company is promoted by Mr. P. Viswanathan, Mr. Ganesan Rajamanickam and Mr. Gurusami Doraisamy, who have more than three decades of experience in the textile industry. The company's manufacturing facility is located in Pallipalayam, Erode, Tamil Nadu with total spindle capacity of 40896 spindles, 10 vortex and 150 air jet looms. LYTIPL has set-up a windmill with total installed capacity of 10.25 MW which caters to around 57 percent of the company's power requirement as of March 31, 2021.

About the Group Entities

Lucky Weavess India Private Limited (LWIPL) was incorporated in the year 2015 as sizing and warping unit for Viscose yarn in Erode Tamil Nadu. The company is engaged in preparatory process of viscose yarn and fabric. The company's manufacturing facility is located in Pallipalayam, Erode, Tamil Nadu with total capacity of 2 sizing units, 4 warping units and 100 air jet looms.

The company is promoted by Mr. Ganesh Rajamanickam and Mr. P Vishwanathan and Mr. Rajamanickam Saravana Prabhu. Promoters, Mr. G. Rajamanickam and Mr. P. Vishwanathan are also promoters of Lucky Yarn Tex India Private Limited (LYTI) and co-promoters of Mothi Spinners Private Limited (MSPL) (ACUITE A-/Stable/A2+).

Analytical Approach

For arriving at this rating, Acuite has consolidated the business and financial risk profiles of Lucky Yarn Text India Private Limited (LYTIPL) and Lucky Weavess India Private Limited (LWIPL) together referred as 'Lucky Group'. The consolidation is in the view of common management, similar line of business in textile processing industry, operational and financial linkages between the entities and management stated posture of extension of support with the group companies. Extent of consolidation: Full.

Key Rating Drivers

Strengths

• Promoters' extensive experience in textile processing industry; Established player in viscose yarn manufacturing segment

Lucky Group is engaged in the manufacturing of viscose yarn and blended fabric (i.e. a blend of viscose yarn and cotton yarn) for more than a decade. The group is promoted by Mr. P. Viswanathan, Mr. G. Rajamanickam and Mr. G. Doraisamy, Mr. Rajamanickam Saravana Prabhu who have more than three decades of experience in the textile industry. The top management is ably supported by a well-qualified and experienced team of second line of management. The group has integrated operations across the textile value chain and undertakes spinning and weaving. The group sells to traders, garment and hosiery manufacturers in and around Erode, Tirupur, Ichalkaranji, Surat and Kolkata. enjoys long-standing relationship with its customers and suppliers. It resulted in healthy growth in revenues, it reported revenue of Rs.415.89 Cr in FY2021 (Prov), which grew by compounded annual growth rate (CAGR) of ~16 percent as against Rs.201.86 Cr in FY2017; backed by repeat orders from the customers and regular capex to enhance and refurbish the capacity. Besides, the group has achieved revenues of Rs.211.68 Cr for 4MFY2021 along with absolute EBITDA of Rs.30.46 Cr. The group operates at moderate and growing profitability margins marked by operating margin (EBITDA) of 16.39 percent in FY2021 (Prov) which has improved in comparison with the previous year. Over the years, Naga Hanuman group has a developed a positive brand value in mindset of the stakeholders such as customers and creditors and is among the top renowned brand in the southern region of India under viscose yarn manufacturing segment. Acuite believes that the group will continue to derive benefit from its promoter's experience, its established presence and increasing scale of operations providing healthy revenue visibility in medium term.

• Moderate debt protection metrics and capital structure

Lucky Group's financial risk profile is moderate, marked by a moderate Network and gearing along with modest debt protection metrics. The EBITDA margins of the group has improved to 16.39 per cent in FY2021 (Prov) against 14.27 in FY2020. The improvement is attributable to decrease in power cost on account of installation of windmill, decrease in conversion charges from 12.03 Cr in FY2020 to Rs.5.90 Cr in FY2021 (Prov), decrease in raw material cost on account of operations in-to weaving segment along with marginal decline in admin and selling overheads. Despite the fall in revenue in FY2021 on account of Covid-19 pandemic, the absolute EBITDA has improved by 6.96 percent to Rs.68.14 Cr from Rs.63.71 Cr. The PAT margins of the group has deteriorated to 1.95 per cent in FY2021 (Prov) in comparison to 2.60 per cent in FY2020. The PAT margins in FY2021 was impacted due to recording of high depreciation and interest cost compared to the previous year on account of debt funded capex plans. Besides, the PAT margins in FY2020 was marginally on higher side due to an exceptional income realized through sale of machinery of amount Rs.1.35 Cr. The moderate profitability levels vis-à-vis increase in the debt obligations has led to marginal deterioration in the debt protection metrics. The interest coverage ratio (ICR) and debt service coverage ratio (DSCR) stood at 4.09 times and 1.86 times respectively in FY2021 (Prov) as against 4.52 and 2.42 times respectively in the previous year.

The net worth of the group stood at Rs.109.02 Cr as on 31 March, 2021 (Prov) as against Rs.94.45 Cr as on 31 March, 2020. The improvement is on account of accretion of net profit in the reserves during the period infusion of capital by promoters in form of equity, quasi equity (USL) and security premium during the period. The gearing level (debt-equity) stands deteriorated at 1.82 times as on 31 March, 2021 (Prov) as against 1.71 times as on 31 March, 2020, the deterioration is on account of significant increase in long term debt for capex plans during the period. TOL/TNW (Total outside liabilities/Total net worth) stands stable and moderate at 2.35 times as on 31 March, 2021 (Prov) against 2.34 times in previous year. High TOL/TNW is on account of presence of high long term and trade payables levels during the period against previous year. The total debt of Rs.198.11 Cr as on 31 March, 2021 (Prov) consist of long-term debt of Rs.149.92 Cr, short term debt of Rs.18.21 Cr and maturing portion of long term borrowings of Rs.29.97 Cr. NCA/TD (Net cash accruals to total debt) stands low and deteriorated at 0.25 times in FY2021 (Prov) as against 0.31 times in FY2020. Acuite expects the financial risk profile to remain healthy over the medium to long term period on account of moderate capital structure and stable operations of the group.

- **Continuous capacity expansion over the years; Capex underway for capacity expansion and reduction in power cost**

Lucky Group over the years has been incurring capex for modernization and upgradation of its machinery to cater the growing domestic demand. The group is majorly equipped with automated machinery which has also helped to mitigate the availability of manpower. LYTIPL is well placed in the market with spindle capacity of 40,896 spindles and 10 vortexes (=20,000 spindles) and 150 air jet looms which is expected to aid the operations going further. The Capex is underway for increase in Vortex to 18 units from 10 units and is expected to be operational in FY2022. This will result in 80 percent increase in vortex capacity i.e. almost equivalent to 16,000 spindles. On other hand, LWIPL is equipped with capacity of 2 sizing units, 4 Warping and 100 air jet looms which is expected to aid the operations going further. The Capex is underway for increase in Air-Jet looms to 150 units from 100 units and is expected to be operational in FY2022. This will result in 50 percent increase in weaving capacity.

Lucky Group's management has been focusing on reducing the power cost over the year by incurring continuous capex towards windmill setup in LYTIPL. The company has availed a term loan of Rs.25.00 Cr in FY2022 from HDFC Bank for setting-up a solar unit with capacity of 8.00 MW. The windmill and solar plant is expected to cater to around 75-80 percent of the company's power requirements. The management for LWIPL has also availed a term loan of Rs.6.50 Cr in FY2022 from HDFC Bank for setting-up a solar unit with capacity of 2.00 MW. The solar plant is expected to cater to around 35-40 percent of the company's power requirements. Besides, the promoter group will provide its own additional 2.00 MW windmill to the company for captive usage. Acuite believes that with an ongoing growth in demand in the industry backed by repeated orders from the customers, capex underway and the improvement demonstrated in Q1 of FY2022, the business risk profile of the group is expected to improve over the medium term.

Weaknesses

- **Working capital operations marked by moderate GCA days**

Lucky Group's working capital cycle is marked by moderate gross current assets (GCA) days in the range of 121-150 days over the last 3 years ending March 31, 2021 (Prov). The GCA days are majorly marked by moderate inventory and debtor days. The elevated GCA days of 150 days as on March 31, 2021 (Provisional) is on account of presence of moderate debtors amounting to nearly Rs.108.66 Cr on account of 2nd wave of covid-19 pandemic leading to delays in receivables collections. The inventory stood at Rs.39.04 Cr as on March 31, 2021 against Rs.26.17 Cr in previous year. These are partially offset by creditor days at 55 days as on March 31, 2021 (provisional). The moderate GCA cycle has led to moderate utilization of around 49.12 per cent of working capital requirement bank lines of Rs.61.50 Cr over the past 8 months ending August, 2021. Acuite believes that the operations of the group will remain moderately working capital intensive on account of nature of the textile processing industry.

- **High supplier concentration risk in the revenue profile**

Lucky Group procures the viscose fiber from Grasim Industries and in and around Tamil Nadu, and sells mainly to auto looms, traders, garment & hosiery manufacturers in around Erode, Tirupur, Ichalkaranji, Surat and Kolkata etc. The Top 10 suppliers are contributing more than 90 per cent to the total purchases in FY2021 and FY2020. Besides, it can be observed that two of the single supplier has been contributing more than 20 per cent of the total purchases. Acuite believes that there exists high supplier concentration risk in the revenue profile of the group. However, the risk of concentration is mitigated to an extent on account of long standing relationship of the group and promoters with its major supplier "Grasim Industries Limited".

- **Susceptibility of operating performance to input price volatility and increasing competition**

Leading players like Lucky Group depend on domestic VSF producers like Grasim and imports for their raw material requirements. The profitability is susceptible to changes in the prices of these raw material, i.e. viscose staple fibre (VSF), any adverse price movement are likely to impact the operating margins of VFY manufacturers. With recent trade dynamics of the market, India is expected to become a greater producer of VSY. The operating performance of players of VSY players will be linked to their ability to maintain optimal cost efficiency and scale up their operations while maintaining their margins and managing their working capital requirements efficiently. The regulatory environment governing imports of both raw materials, i.e. VSF and the end product VFY shall be critical. Acuite believes that the ability of Lucky Group to maintain and improve its operating margins in the developing operating framework will be a key rating monitorable parameter.

Liquidity Position: Adequate

Lucky Group's liquidity is adequate marked by healthy generation of net cash accruals in FY2021 to its maturing debt obligations and moderate level of unencumbered cash and bank balance. The group has generated cash accruals in the range of Rs.36.71-49.31 Cr during last three years ending FY2021 (Prov) as against its long term debt obligations of Rs.9.84-18.62 Cr for the same period. The group's working capital is moderate as evident from Gross Current Asset (GCA) of 150 days as on March, 2021 (Prov) as compared to 121 days as on March, 2020. The current ratio stood at 1.69 times as on 31 March 31 2021 (Prov) against 1.35 in previous year. The moderate GCA cycle has led to moderate utilization of around 49 per cent of working capital requirement bank lines of Rs.61.50 Cr over the past 8 months ending August, 2021. The group maintained unencumbered cash and bank balances of Rs.0.88 Cr as on March 31 2021 (Prov) against Rs.0.47 Cr in previous year. In addition to this, the group has investments in form of term deposit worth Rs.8.05 Cr as on March 31, 2021. Acuite believes that the liquidity of the group to remain healthy on account of stable scale of operations and healthy capital structure. The group is expected to generate NCA in range of Rs.65.08-74.93 Cr against maturing debt obligations in range of Rs.29.97-39.79 Cr over the medium term.

Rating Sensitivities

Positive

- Higher-than-expected Improvement in the scale of operations and profitability as envisaged
- Sustainable improvement in Leverage and Solvency position of the group.
- Sustainable improvement in Gross current assets (GCA) days.

Negative

- Any deterioration in working capital cycle and liquidity profile of the group.
- Any deterioration in Revenue profile and leverage position of the group.
- Any weakening of financial risk profile of the group.

Outlook: Stable

Acuite believes that Lucky Group's rating will maintain a 'Stable' outlook over the medium term on account of long track record of operations, experienced management in the industry and capex underway for capacity expansion and power cost reduction. The outlook may be revised to 'Positive' if the group registers sustainable improvement in sales volumes and improvement in realizations of the products offered leading to higher-than-expected revenues and profitability with improvement in financial risk profile. Conversely, the outlook may be revised to 'Negative' in case Lucky Group registers lower-than expected revenues and profitability or any significant stretch in its working capital management or larger than-expected debt-funded capital expenditure leading to deterioration of its financial risk profile and liquidity.

About the Rated Entity - Key Financials (Consolidated)

	Unit	FY21 (Provisional)	FY20 (Actual)
Operating Income	Rs. Cr.	415.89	446.37
PAT	Rs. Cr.	8.12	11.62
PAT Margin	(%)	1.95	2.60
Total Debt/Tangible Net Worth	Times	1.82	1.71
PBDIT/Interest	Times	4.09	4.52

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

Not Applicable

Any other information

None

Material Covenants

None

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>
- Consolidation Of Companies- <https://www.acuite.in/view-rating-criteria-60.htm>

Note on complexity levels of the rated instrument
<https://www.acuite.in/view-rating-criteria-55.htm>
Rating History (Upto last three years)

Date	Name of Instrument/Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
27-Aug-2020	Cash Credit	Long Term	31.50	ACUITE BBB/Stable (Reaffirmed)
	Term Loan II	Long Term	0.01	ACUITE BBB/Stable (Reaffirmed)
	Term Loan III	Long Term	0.33	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IV	Long Term	0.15	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IX	Long Term	20.53	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VIII	Long Term	9.48	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	0.01	ACUITE BBB/Stable (Reaffirmed)
	Term Loan X	Long Term	33.09	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	21.17	ACUITE BBB/Stable (Reaffirmed)
	Term Loan XI	Long Term	8.11	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	10.60	ACUITE BBB/Stable (Reaffirmed)
	Proposed	Long Term	7.16	ACUITE BBB/Stable (Reaffirmed)
	Letter of Credit	Short Term	12.50	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	2.36	ACUITE A3+ (Reaffirmed)
07-Jan-2020	Cash Credit	Long Term	31.50	ACUITE BBB/Stable (Reaffirmed)
	Term Loan I	Long Term	1.52	ACUITE BBB (Withdrawn)
	Term Loan II	Long Term	0.01	ACUITE BBB/Stable (Reaffirmed)
	Term Loan III	Long Term	0.33	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IV	Long Term	0.47	ACUITE BBB/Stable (Reaffirmed)
	Term Loan V	Long Term	1.80	ACUITE BBB (Withdrawn)
	Term Loan VI	Long Term	7.53	ACUITE BBB (Withdrawn)
	Term Loan IX	Long Term	20.60	ACUITE BBB/Stable (Reaffirmed)

	Term Loan VIII	Long Term	9.67	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	0.01	ACUITE BBB/Stable (Reaffirmed)
	Term Loan X	Long Term	34.82	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	25.00	ACUITE BBB/Stable (Reaffirmed)
	Term Loan XI	Long Term	8.42	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	10.60	ACUITE BBB/Stable (Reaffirmed)
	Proposed	Long Term	0.71	ACUITE BBB/Stable (Reaffirmed)
	Letter of Credit	Short Term	12.50	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	2.36	ACUITE A3+ (Reaffirmed)
31-July-2019	Cash Credit	Long Term	21.50	ACUITE BBB/Stable (Reaffirmed)
	Term Loan I	Long Term	1.52	ACUITE BBB/Stable (Reaffirmed)
	Term Loan II	Long Term	2.32	ACUITE BBB/Stable (Reaffirmed)
	Term Loan III	Long Term	8.11	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IV	Long Term	1.81	ACUITE BBB/Stable (Reaffirmed)
	Term Loan V	Long Term	1.80	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VI	Long Term	7.53	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VII	Long Term	20.71	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VIII	Long Term	19.34	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IX	Long Term	1.05	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	25.00	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	9.20	ACUITE BBB/Stable (Reaffirmed)
	Proposed	Long Term	10.00	ACUITE BBB/Stable (Reaffirmed)
	Proposed	Long Term	1.27	ACUITE BBB/Stable (Reaffirmed)
	Letter of Credit	Short Term	12.50	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	2.36	ACUITE A3+ (Reaffirmed)
	Proposed	Short Term	1.98	ACUITE A3+ (Assigned)
05-Dec-2018	Cash Credit	Long Term	21.50	ACUITE BBB/Stable (Reaffirmed)
	Term Loan I	Long Term	1.52	ACUITE BBB/Stable (Reaffirmed)
	Term Loan II	Long Term	2.32	ACUITE BBB/Stable (Reaffirmed)

	Term Loan III	Long Term	8.11	ACUITE BBB/Stable (Reaffirmed)
	Term Loan IV	Long Term	1.81	ACUITE BBB/Stable (Reaffirmed)
	Term Loan V	Long Term	1.80	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VI	Long Term	7.53	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VII	Long Term	20.71	ACUITE BBB/Stable (Reaffirmed)
	Term Loan VIII	Long Term	19.34	ACUITE BBB/Stable (Assigned)
	Term Loan IX	Long Term	1.05	ACUITE BBB/Stable (Assigned)
	Proposed Term Loan	Long Term	25.00	ACUITE BBB/Stable (Assigned)
	Proposed Term Loan	Long Term	9.85	ACUITE BBB/Stable (Assigned)
	Proposed Cash Credit	Long Term	10.00	ACUITE BBB/Stable (Assigned)
	Letter of Credit	Short Term	12.50	ACUITE A3+ (Reaffirmed)
	Bank Guarantee	Short Term	3.80	ACUITE A3+ (Reaffirmed)
	Forward Contracts	Short Term	0.54	ACUITE A3+ (Assigned)
	Proposed	Long Term	0.62	ACUITE BBB/Stable (Assigned)
24-Jan-2018	Cash Credit	Long Term	21.50	ACUITE BBB/Stable (Assigned)
	Term Loan I	Long Term	6.32	ACUITE BBB/Stable (Assigned)
	Term Loan II	Long Term	3.13	ACUITE BBB/Stable (Assigned)
	Term Loan III	Long Term	12.10	ACUITE BBB/Stable (Assigned)
	Term Loan IV	Long Term	2.14	ACUITE BBB/Stable (Assigned)
	Term Loan V	Long Term	2.96	ACUITE BBB/Stable (Assigned)
	Term Loan VI	Long Term	11.51	ACUITE BBB/Stable (Assigned)
	Term Loan VII	Long Term	21.30^	ACUITE BBB/Stable (Assigned)
	Letter of Credit	Short Term	12.50	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	1.80	ACUITE A3+ (Assigned)
	Proposed Term Loan	Long Term	7.74	ACUITE BBB/Stable (Assigned)

***Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/ Outlook
State Bank of India	Cash Credit	Not Applicable	Not Applicable	Not Applicable	31.50	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Term Loan	10.08.2015	8.95	31.03.2024	7.84	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Term Loan	03.11.2016	8.95	31.12.2025	15.43	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Term Loan	27.02.2018	8.95	31.03.2028	30.12	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Term Loan	26.02.2019	8.95	31.03.2026	6.74	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Working Capital Term Loan	31.03.2020	8.95	31.12.2025	2.00	ACUITE BBB+/Stable (Upgraded)
State Bank of India	Working Capital Term Loan	07.01.2021	7.95	30.06.2025	20.00	ACUITE BBB+/Stable (Upgraded)
HDFC Bank Limited	Term Loan	16.09.2019	9.30	02.03.2027	19.77	ACUITE BBB+/Stable (Upgraded)
HDFC Bank Limited	Term Loan	16.09.2019	8.45	27.09.2025	9.79	ACUITE BBB+/Stable (Upgraded)
Federal Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BBB+/Stable (Upgraded)
Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.81	ACUITE BBB+/Stable (Upgraded)

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022-49294041 aditya.gupta@acuited.in Shivam Agarwal Analyst - Rating Operations Tel: 040-4004 2327 shivam.agarwal@acuited.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuited.in

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 8,850 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 Kanjurmarg, Mumbai.

Disclaimer: *An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.*