

Press Release

Lakshmi Pipe Industries

October 13, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings | 5.40 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 5.40 | - | - |

Rating Rationale

Acuite has reaffirmed and Withdrawn the long-term rating of 'ACUITE B' (read as ACUITE B) on the Rs. 5.40 crore bank facilities of Lakshmi Pipe Industries. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating. The rating continues to be flagged as "Issuer Not Cooperating". The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Lakshmi Pipe Industries was established in 1993 as a partnership firm by Mr. Lalit Kumar Lalwani, Mr. Ramesh Kumar Lalwani and Mr. Praveen Kumar Lalwani. The firm is engaged in the manufacturing of stainless steel sheets/Pattas. The manufacturing plant is located in Jodhpur with an installed capacity to manufacture 3000 metric tons per annum.

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 noncooperation 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 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 entity has not shared the latest financial statements for Acuite to comment upon

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable.

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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

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

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|-----------|-----------------|--------------------------------------|
| 18 May 2022 | Term Loan | Long Term | 0.39 | ACUITE B (Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.00 | ACUITE B (Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 0.09 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.59 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.33 | ACUITE B (Issuer not co-operating*) |
| 12 Feb 2021 | Term Loan | Long Term | 0.39 | ACUITE B (Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 0.09 | ACUITE B (Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.00 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.59 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.33 | ACUITE B (Issuer not co-operating*) |

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|-------------|------------------------|-----------|------|-------------------------------------|
| 09 Dec 2019 | Term Loan | Long Term | 0.39 | ACUITE B (Issuer not co-operating*) |
| | Proposed Bank Facility | Long Term | 0.09 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.33 | ACUITE B (Issuer not co-operating*) |
| | Term Loan | Long Term | 0.59 | ACUITE B (Issuer not co-operating*) |
| | Cash Credit | Long Term | 4.00 | ACUITE B (Issuer not co-operating*) |
| 26 Sep 2018 | Term Loan | Long Term | 0.59 | ACUITE B Stable (Assigned) |
| | Cash Credit | Long Term | 4.00 | ACUITE B Stable (Assigned) |
| | Term Loan | Long Term | 0.39 | ACUITE B Stable (Assigned) |
| | Term Loan | Long Term | 0.33 | ACUITE B Stable (Assigned) |
| | Proposed Bank Facility | Long Term | 0.09 | ACUITE B Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|--|----------------|----------------------------------|------------------|----------------|----------------|-------------------|--|
| Small Industries Development Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.00 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Long Term Bank Facility | Not Applicable | Not Applicable | Not Applicable | 0.09 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Small Industries Development Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 0.33 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Small Industries Development Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 0.39 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |
| Small Industries Development Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 0.59 | ACUITE B Reaffirmed & Withdrawn Issuer not co-operating* |

Contacts

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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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