

## Press Release

### Laxmi Narayan Kraft Industries

April 08, 2021



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 11.50 Cr. #
<b>Long Term Rating</b>	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE B+**' (**read as ACUITE B plus**) from '**ACUITE BB-**' (**read as ACUITE double B minus**) and the short-term rating to '**ACUITE A4**' (**read as ACUITE A four**) from '**ACUITE A4+**' (**read as ACUITE A four plus**) on the Rs. 11.50 crore bank facilities Laxmi Narayan Kraft Industries. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Laxmi Narayan Kraft Industries (LNKI) is a Guwahati (Assam) based partnership concern promoted by Mr. Vivek Aggarwal, Mr. Basant Aggarwal and Mrs. Nisha Agarwal. The firm manufactures corrugated boxes from craft paper. The company has an installed capacity of 1600 tonnes per annum of corrugated paper. The company procures paper from local manufactures as well as from Uttar Pradesh. The credit period extended for the same is 30 days. Laxmi Narayan Industries Private Limited is a Private incorporated on 19 November 2013.

Apart from paper, the company requires glue which is manufactured in-house. The company primarily sells to FMCG, pharmaceutical companies such as ITC, Godrej, Dabur and HUL. The company enjoys location advantage- being located in Assam. FMCG companies in Assam enjoy 10 year tax soaps.

#### **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 the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### **Applicable Criteria**

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities -<https://www.acuite.in/view-rating-criteria-59.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.

**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

Acuité 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
09-Jan-2020	Cash Credit	Long Term	5.00	ACUITE BB- Downgraded from ACUITE BB Issuer not co-operating*
	Term Loan	Long Term	1.00	ACUITE BB- Downgraded from ACUITE BB Issuer not co-operating*
	Proposed Cash Credit	Long Term	5.00	ACUITE BB- Downgraded from ACUITE BB Issuer not co-operating*
	Bank Guarantee/Letter of Guarantee	Short Term	0.50	ACUITE A4+ Issuer not co-operating*
05-Dec-2018	Cash Credit	Long Term	5.00	ACUITE BB/Stable (Assigned)
	Term Loan	Long Term	1.00	ACUITE BB/Stable (Assigned)
	Proposed Cash Credit	Long Term	5.00	ACUITE BB/Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	0.50	ACUITE A4+ (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loan	Not Available	Not Applicable	Not Available	1.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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

## Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Deepesh Pamnani Analyst - Rating Operations Tel: 011-49731302 <a href="mailto:deepesh.pamnani@acuite.in">deepesh.pamnani@acuite.in</a>	

### 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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