

## Press Release

Laxmi Narayan Kraft Industries

July 07, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.50	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	11.00	ACUITE B+   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	11.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B Plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs. 11.50 crore bank facilities Laxmi Narayan Kraft Industries (LNKI). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

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 manufacturers 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:

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

### **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>

### **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
	Proposed Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded and Issuer not co-operating*)

08 Apr 2021	Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	0.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
09 Jan 2020	Proposed Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
	Bank 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	Short Term	0.50	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 Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+   Reaffirmed   Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	1.00	ACUITE B+   Reaffirmed   Issuer not co-operating*

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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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