

Press Release

Lare Fibc And Energies Private Limited (Erstwhile Tech Sun Energies Private Limited)

October 11, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.00	ACUITE B- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	3.50	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	29.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B-**' (read as **ACUITE B minus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.29.50 Crore bank facilities of Lare Fibc & Energies Private Limited (LFEPL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

Tamil Nadu based, LFEPL was originally incorporated in 2012 as Tech Sun Energies Private Limited; the name was changed in 2019. The Company is promoted by Mr. Mayilvel Ponnusamy and Mrs. Navaneethan Krishnan Ponlakshmi. The company is engaged in providing Operation and Maintenance Services to various Industry segments with specialisation in Power related industries and Petrochemicals Industries.

In May 2018, LFEPL is proposed to diversify its business to manufacturing of flexible intermediate bulk containers (FIBC) also known as Jumbo bags for packaging applications. The company commenced operations from January 2020. The manufacturing unit is located in Tirunelveli in Tamil Nadu and has installed production capacity of 750 per hour.

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 an 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 has endeavoured 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 rated entity has not shared the latest financial statements despite repeated attempts.

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

Acuite 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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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
14 Jul 2021	Packing Credit	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	7.60	ACUITE B- (Issuer not co-operating*)
	Letter of Credit	Short Term	1.50	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	17.40	ACUITE B- (Issuer not co-operating*)
	Secured Overdraft	Long Term	1.00	ACUITE B- (Issuer not co-operating*)
	Letter of Credit	Short Term	1.50	ACUITE A4 (Reaffirmed)
	Packing Credit	Short Term	2.00	ACUITE A4 (Reaffirmed)

20 Apr 2020	Secured Overdraft	Long Term	1.00	ACUITE B- Stable (Reaffirmed)
	Term Loan	Long Term	7.60	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	17.40	ACUITE B- Stable (Reaffirmed)
28 Jan 2019	Proposed Bank Facility	Long Term	0.10	ACUITE B- Stable (Assigned)
	Letter of Credit	Short Term	1.50	ACUITE A4 (Assigned)
	Term Loan	Long Term	17.40	ACUITE B- Stable (Assigned)
	Packing Credit	Short Term	2.00	ACUITE A4 (Assigned)
	Secured Overdraft	Long Term	1.00	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
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE A4 Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B- Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	17.40	ACUITE B- Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	7.60	ACUITE B- Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 pooja.ghosh@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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