

Press Release

Lido Commercial Company Limited

April 01, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.50	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	15.50	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	30.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite 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.30.00 Cr. bank facilities of Lido Commercial Company Limited (LCCL). The rating is being flagged as an 'Issuer Not-Cooperating' based on the best available information.

About the Company

Lido Commercial Company Limited is a New Delhi-based company incorporated in 1983. The company was promoted by Mr.R.K. Singhania. The company is engaged in retail and wholesale trading of Mahindra automobiles. The company is working under the name of Sri Durga Automobiles (A division of Lido Commercial Company Ltd.).The company is currently run by Mr. Kirti Singhania, Mr. Ashish Singhania, and Mr. Alok Singhania. As of now, the company has one showroom and 2 workshops.

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 non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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 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.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitle: <https://www.acuite.in/view-rating-criteria-61.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
16 Apr 2021	Proposed Bank Facility	Long Term	0.51	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	2.47	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	0.50	ACUITE A4+ (Assigned)
	Term Loan	Long Term	2.80	ACUITE BB- Stable (Assigned)
	Working Capital Term Loan	Long Term	1.03	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	3.69	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Kotak Mahindra Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)
Kotak Mahindra Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)
Kotak Mahindra Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Kotak Mahindra Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.51	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Kotak Mahindra Bank	Not Applicable	Term Loan	Not available	Not available	Not available	2.80	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Kotak Mahindra Bank	Not Applicable	Term Loan	Not available	Not available	Not available	3.69	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Kotak Mahindra	Not Applicable	Term Loan	Not available	Not available	Not available	2.47	ACUITE B+ Downgraded Issuer not co-

Bank							operating* (from ACUITE BB-)
Kotak Mahindra Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	1.03	ACUITE B+ Downgraded Issuer not co- operating* (from ACUITE BB-)

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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.

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