



Press Release

LAKSHANYA VENTURES PRIVATE LIMITED (ERSTWHILE - ENCARTA PHARMA PRIVATE LIMITED)

May 26, 2025

Rating Downgraded and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.90	ACUITE C Downgraded	-
Bank Loan Ratings	39.35	ACUITE D Downgraded	-
Bank Loan Ratings	12.50	-	ACUITE A4 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	77.75	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded its long-term rating to '**ACUITE D**' (read as **ACUITE Df**) from '**ACUITE B+**' (read as **ACUITE B Plus**) on the Rs.39.35 crore bank facilities of Lakshanya Ventures Private Limited (Erstwhile Encarta Pharma Private Limited) (LVPL).

Acuité has also downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE Cf**) from '**ACUITE B+**' (read as **ACUITE B Plus**) and reaffirmed its short term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs.38.40 crore bank facilities of Lakshanya Ventures Private Limited (Erstwhile Encarta Pharma Private Limited) (LVPL).

Rationale of Rating Downgrade

The downgrade is on account of delays in servicing of debt obligations by LVPL as confirmed by its banker through a written communication along with reported delays in debt servicing as observed in credit bureau information report (CRIF) of the issuer, latest in the month of September 2024.

About the Company

Lakshanya Ventures Private Limited (LVPL), a Bangalore-based company was incorporated in 2001. Founded by Mr. Keerthan P, Mr. Ganesh R. Nayak and Mr. Girish M, the company is engaged in primarily four segments - Cardiac & Endovascular Implants, ICU & OT Equipment's, Setting up of Medical Gas Pipeline and Construction of Modular Operation Theatres. The present directors of the company are Mr. Ganesh R. Nayak, Mr. Girish Maheswarappa, Mr. Sharath S. Shetty and Mr. Pichamutal K. Premsagar.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of LVPL to arrive at the rating.

Key Rating Drivers

Strengths

Experienced management and diversified product portfolio

LVPL promoters possess over two decades of experience in the medical equipment trading business. The company benefits from established relationships with Hospital and Medical equipment OEMs. The product portfolio contains Cardiac & Endovascular Implants, ICU & OT Equipment's, Setting up of Medical Gas Pipeline and Construction of Modular Operation Theatres. Acuité believes that the market potential, healthy and reputed client base and diversified product portfolio of LVPL are expected to support in improvement of business risk profile

over the medium term.

Weaknesses

Instance of delay in servicing of debt obligation

Instances of delays in debt-servicing have been reported in the month of September 2024 as per the Credit Bureau Information report (CRIF) of the company and confirmation from the lender.

Rating Sensitivities

- Timely servicing of debt obligations

Liquidity Position Stretched

The company's liquidity position is marked stretched due to instances of delays in servicing of debt obligation as per CRIF report and bankers written feedback.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	78.90	269.02
PAT	Rs. Cr.	8.88	18.92
PAT Margin	(%)	11.25	7.03
Total Debt/Tangible Net Worth	Times	0.62	0.85
PBDIT/Interest	Times	2.64	5.13

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 Apr 2024	Bank Guarantee (BLR)	Short Term	7.75	ACUITE A4 (Upgraded from ACUITE D)
	Letter of Credit	Short Term	4.75	ACUITE A4 (Upgraded from ACUITE D)
	Cash Credit	Long Term	20.00	ACUITE B+ Stable (Upgraded from ACUITE D)
	Term Loan	Long Term	36.50	ACUITE B+ Stable (Upgraded from ACUITE D)
	Stand By Line of Credit	Long Term	3.00	ACUITE B+ Stable (Upgraded from ACUITE D)
	Term Loan	Long Term	2.85	ACUITE B+ Stable (Upgraded from ACUITE D)
	Working Capital Term Loan	Long Term	1.71	ACUITE B+ Stable (Upgraded from ACUITE D)
	Term Loan	Long Term	0.63	ACUITE B+ Stable (Upgraded from ACUITE D)
	Proposed Long Term Loan	Long Term	0.56	ACUITE B+ Stable (Upgraded from ACUITE C)
21 Sep 2023	Proposed Long Term Loan	Long Term	0.06	ACUITE C (Downgraded from ACUITE B+)
	Proposed Long Term Loan	Long Term	0.50	ACUITE C (Assigned)
	Cash Credit	Long Term	20.00	ACUITE D (Downgraded from ACUITE B+)
	Term Loan	Long Term	36.50	ACUITE D (Assigned)
	Stand By Line of Credit	Long Term	3.00	ACUITE D (Assigned)
	Term Loan	Long Term	2.85	ACUITE D (Downgraded from ACUITE B+)
	Working Capital Term Loan	Long Term	1.71	ACUITE D (Downgraded from ACUITE B+)
	Term Loan	Long Term	0.63	ACUITE D (Downgraded from ACUITE B+)
	Bank Guarantee (BLR)	Short Term	7.75	ACUITE D (Downgraded from ACUITE A4)
	Letter of Credit	Short Term	4.75	ACUITE D (Downgraded from ACUITE A4)
09 Aug 2023	Bank Guarantee (BLR)	Short Term	7.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	4.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	5.25	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
12 May 2022	Bank Guarantee/Letter of Guarantee	Short Term	7.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	4.75	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	5.25	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	20.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.75	Simple	ACUITE A4 Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE C Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.75	Simple	ACUITE A4 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.56	Simple	ACUITE C Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE C Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Term Loan	14 Dec 2021	Not avl. / Not appl.	14 Dec 2026	2.85	Simple	ACUITE D Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Term Loan	29 Oct 2022	Not avl. / Not appl.	29 Oct 2032	36.50	Simple	ACUITE D Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Term Loan	31 Jul 2021	Not avl. / Not appl.	31 Jul 2026	0.63	Simple	ACUITE C Downgraded (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	14 Dec 2021	Not avl. / Not appl.	14 Dec 2026	1.71	Simple	ACUITE C Downgraded (from ACUITE B+)

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Sahil Sawant Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

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