



Press Release
LIVGUARD ENERGY TECHNOLOGIES PRIVATE LIMITED
July 02, 2025
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	660.00	ACUITE BBB Stable Downgraded	-
Bank Loan Ratings	380.00	-	ACUITE A3+ Downgraded
Total Outstanding Quantum (Rs. Cr)	1040.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Erratum: In the PR dated June 24, 2025, in 'About the Company' Section, directors details have been updated.

Rating Rationale

Acuité has downgraded its long-term rating to **'ACUITE BBB'**(read as **ACUITE triple B**) from **'ACUITE A-'** (read as **ACUITE A minus**) and short-term rating to **'ACUITE A3+'** (read as **ACUITE A three plus**) from **'ACUITE A2+'** (read as **ACUITE A two plus**) to the Rs. 1040.00 crore bank facilities of Livguard Energy Technologies Private Limited (LETPL). The outlook is **'Stable'**.

Rationale for rating

The rating downgrade takes cognizance of decline in the group's profitability as EBITDA margin stood at 2.68 times in FY25 (prov.) against 2.88 times in FY24 and 4.70 times in FY23, albeit improving revenues from operations. The decline in EBDITA is a result of operating losses in the group's e-mobility and auto components business, due to high fixed cost in FY24 and high selling expenses in FY 25 to boost the revenue in the upcoming years. The PAT margin stood at (2.21) times in FY25 (prov.) against (2.41) times in FY24 and 1.34 times in FY23 due to high interest and depreciation costs. The financial risk profile has also weakened due to highly leveraged capex plans and weakening of DSCR and ICR. The liquidity stretched evident from inadequate accruals against repayments, which were met out of cash reserves and stretching creditors, low current ratio and increase in exposure to group companies. Furthermore, the group continues to have intensive working capital requirements. However, rating get comfort from the support of experienced management of the group and established market position of "Livguard" and "Livfast" brand.

About the Company

Incorporated in 2014, Livguard Energy Technologies Private Limited is engaged in manufacturing and trading of batteries and power suppliers. The directors of the company are Mr. Rakesh Malhotra, Mr. Raghav Ramdev, Mr. Atul Jalota, Mr. Navneet Kapoor, Mr. Sameer Nagpal, Mr. Anurag Bishnudutt Tiwari, Mr. Mangalath Unnikrishnan, Mr. Brij Bhushan Nagpal, Mr. Ramchander Avanavadi Subramaniam and Ms. Kanika Singal. The registered office is located Haryana.

About the Group

Livfast Batteries Private Limited- Incorporated in 2018, Livfast Batteries Private Limited is engaged in manufacturing and trading of batteries and power suppliers. The directors of the company are Mr. Navneet Kapoor and Mr. Atul Jalota. The registered office is located in Haryana.

Livguard Drivetrain Private Limited- Incorporated in 2015, Livguard Drivetrain Private Limited based in Haryana, engaged in the manufacturing of electric motors, generators and transformers. The directors of the company are Mr. Ajay Kumar Goswami, Mr. Navneet Kapoor, Mr. Pratik Mukherjee and Mr. Paresh Chandra Pradhan. The registered office is located in Haryana.

Sunswitch India Private Limited- Incorporated in 2013, Sunswitch India Private Limited is engaged in the

production, collection and distribution of electricity. The directors of the company are Mr. Om Prakash Kapoor, Mr. Sandeep Taneja, Mr. Rishi Puri and Mr. Vinay Kumar Agarwal. The registered office is located in Haryana.

Wynncom Digital Devices Private Limited- Incorporated in 2011, Wynncom Digital Devices Private Limited is engaged in the manufacturing of general purpose machinery. The directors of the company are Mr. Sriteja Julapalli, Mr. Peddu Akhilesh, Mr. Navneet Kapoor, Mr. Richie Saraswat and Mr. Ajay Jain. The registered office is located in Haryana.

Thingscloud Technologies Private Limited- Incorporated in 2015, Thingscloud Technologies Private Limited was incorporated in 2015. The directors of the company are Mr. Richie Saraswat and Mr. Ajay Jain. The registered office is located in Haryana.

Livguard Motors Private Limited-Incorporated in 2023, Livguard Motors Private Limited is engaged in the manufacturing of EV motors. The directors of the company are Mr. Ramesh Kumar Lakra and Mr. Ajay Jain. The registered office is located in Haryana.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

•Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Team has considered the consolidated business and financial risk profiles of Livguard Energy Technologies Private Limited (LETPL) and its subsidiaries listed below:

- Livfast Batteries Private Limited (LBPL)
- Livguard Drivetrain Private Limited
- Sunswitch India Private Limited
- Nirvana International Holdings Pte Limited
- Landmark Battery Innovation Inc.
- Wynncom Digital Devices Private Limited
- Thingscloud Technologies Private Limited
- Livguard Motors Private Limited

Collectively the group is referred to as 'Livguard Group'. The consolidation is on account of common management, same value chain with business line synergies within the group.

Key Rating Drivers

Strengths

Experienced management and leading battery manufacturing operations

Livguard Group commenced the battery business in 2014, whereas it started the commercial production in 2015. Group started manufacturing operations with automotive batteries and added other kinds of batteries such as e-rickshaw batteries, inverter batteries and solar batteries during the period 2016 to 2020. The promoters, Mr. Rakesh Malhotra and Mr. Navneet Kapoor have an established track record of manufacturing lead acid batteries for more than one and half decade through their previous venture 'Luminous Power Technologies Private Limited' which was completely sold to Schneider Electric in the year 2017. The promoters launched the brands 'Livguard' and 'Livfast' for automotive batteries and later expanded the same brands for inverter, inverter batteries, solar batteries and other products. Livguard Batteries Private Limited (LBPL) was the manufacturing arm for Livfast Batteries Private Limited (LFBPL) and Livguard Energy Technologies Private Limited (LETPL), while the two companies are engaged in the distribution of the products across the country. Currently LBPL stands amalgamated with LETPL making LETPL the manufacturing and trading arm of the group while LFBPL continues its trading activity. Currently, the day to day operations of the group is managed by a strong second line of management. Livguard group benefits from its established presence in the market, backed by network of more than 600 distributors supplying to more than 10,000+ dealers across the country. The extensive experience of the promoters is also reflected through the healthy ramp-up of operations.

Weaknesses

Decline in profitability albeit increase in revenue

Livguard group's revenue has improved which stood at Rs. 3889.15 Cr. in FY25 (prov.) against Rs. 3511.41 Cr. in FY24 and Rs. 3771.84 Cr. In FY23. Group has shown growth in FY25 due to growth in the sales of solar, E-

mobility and auto components segments. EBITDA margin of the group has declined which stood at 2.68% FY25 (prov.) against 2.88% in FY24 and 4.70% in FY23. The decline in EBITDA margin is due to in FY24 group has started the new lines of business i.e. E-mobility and auto component which impacted the increase in fixed cost from FY24 and in FY25 group had incurred higher selling expense to boost the revenue in upcoming years. PAT margin of the group is stood at (2.21)% in FY25 (prov.) against (2.41)% in FY24 and 1.34% in FY23 on the account of increment in the depreciation as well as finance cost. Acuité believes that going forward the operating performance of the group while improving profitability will remain a key monitorable.

Decline in Financial Risk Profile

Financial risk profile is moderate marked by moderate tangible net worth which stood at Rs. 157.39 Cr. as on 31st March 2025 (prov.) against Rs. 294.81 Cr. in FY24 and Rs. 362.09 Cr. in FY23. The erosion of net worth is mainly due to group incurring losses in FY25 (prov.) and FY24. Total debt of the group stood at Rs. 433.44 Cr. in FY25 (prov.) as against Rs. 557.95 Cr. in FY24 and Rs. 449.80 Cr. in FY23. Debt to Equity ratio has increased from 2.75 times in FY 2025 (prov.) against 1.89 times in FY24 and 1.24 times in FY23 on account of decline in net worth. Interest Coverage Ratio is stood at 0.99 times in FY25 (prov.) against 0.58 times in FY24 and 2.86 times in FY23. DSCR is below unity which stood at 0.59 times in FY25 (prov.) against 0.46 times in FY24 and 1.59 times in FY23. The debt has been serviced by stretching creditors and using cash reserves. TOL/TNW stood at 12.82 times in FY25 (prov.) against 5.73 times in FY24 and 4.78 times in FY23 while Debt-EBITDA stood at 4.29 times in FY25 (prov.) against 11.14 times in FY24 and 2.46 times in FY23. Acuité believes that going forward the financial risk profile of the group will remain a key monitorable.

Intensive Working capital operations

Group has intensive working capital operations as evident from gross current assets (GCA) of 136 days in FY25 (prov.) as compared to 143 days in FY2024 and 153 days in FY23. Improvement in Working capital is on account of improvement in debtor days and inventory days. Debtor days stood at 64 days in FY2025 (prov.) as against 69 days in FY2024 and 70 days in FY23 and Inventory days stood at 52 days in FY25 (prov.) against 61 days in FY24 and 68 days in FY23. Whereas, creditor days stood at 139 days in FY2025 (prov.) against 102 days in FY2024 and 124 days in FY23. Acuité believes that the working capital operations of the group will remain at same level due to nature of the business.

Rating Sensitivities

- Movement of the scale of operations and margins
- Movement of working capital operations
- Movement in debt protection metrics
- Extent of exposure to group entities

Liquidity Position

Stretched

The liquidity profile of the group is stretched. The net cash accruals of group stood at Rs. -9.00 Cr. in FY25 (prov.) against the debt obligation of Rs. 56.90 Cr. for the same period. The repayments were met out of cash reserves of the group and stretching its creditors. The group has cash & bank position of Rs. 11.22 Cr. with unencumbered fixed deposits of Rs. 20.69 Cr. approx. and current ratio stood at 0.84 times for FY25 (prov.). The average fund based bank limit utilization is at ~69.85% and non-fund based bank limit utilization is at ~82.08% for the 12 months' period ending March 2025. Acuite believes that the liquidity of the group will continue to remain stretched on account of low expected accruals, low current ratio and working capital intensive operations over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	3889.15	3511.41
PAT	Rs. Cr.	(85.84)	(84.69)
PAT Margin	(%)	(2.21)	(2.41)
Total Debt/Tangible Net Worth	Times	2.75	1.89
PBDIT/Interest	Times	0.99	0.58

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

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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. Acuité'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	
26 Mar 2024	Cash Credit	Long Term	100.00	ACUITE A-	Stable (Assigned)
	Term Loan	Long Term	57.33	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	75.00	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	75.00	ACUITE A-	Stable (Assigned)
	Working Capital Demand Loan (WCDL)	Long Term	14.99	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	40.00	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE A-	Stable (Assigned)
	Term Loan	Long Term	9.14	ACUITE A-	Stable (Assigned)
	Term Loan	Long Term	69.90	ACUITE A-	Stable (Assigned)
	Working Capital Term Loan	Long Term	3.83	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	40.00	ACUITE A-	Stable (Assigned)
	Working Capital Term Loan	Long Term	9.81	ACUITE A-	Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE A-	Stable (Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A2+	(Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A2+	(Assigned)
	Letter of Credit	Short Term	90.00	ACUITE A2+	(Assigned)
	Letter of Credit	Short Term	80.00	ACUITE A2+	(Assigned)
	Letter of Credit	Short Term	60.00	ACUITE A2+	(Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A2+	(Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
DBS Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Federal Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
HSBC	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
IDFC First Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Indusind Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Yes Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
RBL Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
Standard Chartered Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	60.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
Indusind Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	90.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
ICICI Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
HDFC Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A3+ Downgraded (from ACUITE A2+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.07	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	16 Nov 2023	Not avl. / Not appl.	05 Nov 2029	43.84	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
IDFC First Bank Limited	Not avl. / Not appl.	Term Loan	01 Aug 2018	Not avl. / Not appl.	24 Dec 2025	2.14	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)

IDFC First Bank Limited	Not avl. / Not appl.	Term Loan	31 Dec 2022	Not avl. / Not appl.	25 Dec 2027	103.82	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
Federal Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.45	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
IDFC First Bank Limited	Not avl. / Not appl.	Working Capital Term Loan	17 Mar 2021	Not avl. / Not appl.	28 Feb 2026	1.33	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)
RBL Bank	Not avl. / Not appl.	Working Capital Term Loan	29 Mar 2021	Not avl. / Not appl.	29 Mar 2026	2.35	Simple	ACUITE BBB Stable Downgraded (from ACUITE A-)

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	Livguard Energy Technologies Private Limited
2	Livguard Drivetrain Private Limited
3	Sunswitch India Private Limited
4	Nirvana International Holdings Pte Limited
5	Landmark Battery Innovation Inc.
6	Wynncom Digital Devices Private Limited
7	Thingscloud Technologies Private Limited
8	Livguard Motors Private Limited
9	Livfast Batteries Private Limited

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About Acuité Ratings & Research

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