

September 19, 2024

Lakshmi Vacuum Technologies Pvt. Ltd.: Ratings removed from Issuer Non-Cooperating Category

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Long term - Fund Based (CC Limits)	10.00	10.00	[ICRA]BB-(Stable); removed from Issuer Not Cooperating category
Short term - Fund Based (standby line of credit)	3.40	3.40	[ICRA]A4; removed from Issuer Not Cooperating category
Long term – Fund based- Term Loan	4.65	4.65	[ICRA]BB-(stable); removed from Issuer Not Cooperating category
Short term - Non-fund based limits (BG/LC)	16.50	16.50	[ICRA]A4; removed from Issuer Not Co-operating category
Long term - Unallocated limits	0.43	0.43	[ICRA]BB-(Stable); removed from Issuer Not Cooperating category
Total	34.98	34.98	

*Instrument details are provided in Annexure-I

Rationale

ICRA has removed its earlier rating of [ICRA]BB+(Stable); Issuer Not Cooperating for the bank facilities of Lakshmi Vacuum Technologies Private Limited from the Issuer Not Cooperating category as the company has now started cooperating based on fee. The company's rating was moved to the Issuer Not Cooperating category in July 2024. The rating is now denoted as [ICRA]BB-(Stable)/[ICRA]A4.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#).

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on LVTP's standalone financial statements.

About the company

Lakshmi Group Company was established in 2003. Mr. L. N. Prasad, the Group Managing Director, started Lakshmi Vacuum Heat Treaters as a proprietorship concern in 2003 in Bengaluru. Consequently, Lakshmi Vacuum Technologies was formed in 2007 in Bengaluru. Lakshmi Vacuum Technologies Private Limited (LVTP) is involved in the manufacturing of industrial vacuum furnaces. The company's customers mainly belong to the automobile, engineering, aerospace, tooling, mining and research, electrical, defence and other allied engineering industries. Vacuum furnaces are required for hardening, tempering, annealing, stress-relieving, brazing and sintering applications. The company also provides technical services relating to the installation of vacuum furnaces.

Key financial indicators (audited)

LVTPL Standalone	FY2022	FY2023	9M FY2024*
Operating income	29.9	42.4	17.1
PAT	2.3	2.6	1.2
OPBDIT/OI	17.3%	16.6%	25.2%
PAT/OI	7.7%	6.2%	6.9%
Total outside liabilities/Tangible net worth (times)	2.6	3.1	3.0
Total debt/OPBDIT (times)	1.6	2.2	2.5
Interest coverage (times)	1.9	2.5	2.0

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore; *Provisional Numbers PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA

Ratings	Date
CARE Ratings	CARE B-Stable/ CARE A4; ISSUER NOT COOPERATING September 10, 2024

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)					Chronology of rating history for the past 3 years					
						FY2024		FY2023		FY2022	
	Type	Amount Rated (Rs. crore)	Sep 19, 2024	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash Credit	Long Term	10.00	[ICRA]BB-(Stable)	July 11, 2024	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	-	-	Jan 19, 2023	[ICRA]BB-(Stable)	-	-
				Apr 30, 2024	[ICRA]BB-(Stable)						
Fund-based-Term loan	Long Term	4.65	[ICRA]BB-(Stable)	July 11, 2024	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	-	-	Jan 19, 2023	[ICRA]BB-(Stable)	-	-
				Apr 30, 2024	[ICRA]BB-(Stable)						
Fund Based (standby line of credit)	Short Term	3.40	[ICRA]A4	July 11, 2024	[ICRA]A4; ISSUER NOT COOPERATING	-	-	Jan 19, 2023	[ICRA]A4	-	-
				Apr 30, 2024	[ICRA]A4						
Non-Fund Based (BG & LC)	Short Term	16.50	[ICRA]A4	July 11, 2024	[ICRA]A4; ISSUER NOT COOPERATING	-	-	Jan 19, 2023	[ICRA]A4	-	-
				Apr 30, 2024	[ICRA]A4						

Unallocated	Long Term	0.43	[ICRA]BB-(Stable)	July 11, 2024	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	-	-	Jan 19, 2023	[ICRA]BB-(Stable)	-	-
				Apr 30, 2024	[ICRA]BB-(Stable)						

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term - Fund Based-Cash Credit	Simple
Long term - Fund Based-Term loan	Simple
Short Term - Fund Based-Standby line of credit	Very simple
Short Term Non-Fund Based -BG/ LC	Very simple
Long term-Unallocated	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Fund-based-Cash Credit	NA	NA	NA	10.0	[ICRA]BB-(Stable)
-	Fund-based- Term loan	March 2019	NA	2026	4.65	[ICRA]BB-(Stable)
-	Fund Based (standby line of credit)	NA	NA	NA	3.4	[ICRA]A4
-	Non-Fund Based (BG & LC)	NA	NA	NA	16.5	[ICRA]A4
-	Unallocated	NA	NA	NA	0.43	[ICRA]BB-(Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis - Not Applicable

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