

October 06, 2023

Liners India Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	27.00	27.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based-Term Loan	7.20	7.20	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Fixed Deposit	5.00	5.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based-Others	15.75	15.75	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term/ Short Term - Unallocated	0.05	0.05	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	55.00	55.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short-term ratings for the bank facilities of Liners India Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Liners India Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition Rating Methodology Automobile Dealerships Rating Methodology Auto Component Suppliers
Parent/Group Support	Not Applicable

Consolidation/Standalone

Standalone

About the company

Liners India Limited was originally established in 1974 as a partnership firm by Mr. S Ganesh; the firm was reconstituted as a private limited company in 1986 and to a public limited company in 1994. LIL has two divisions: cylinder liner manufacturing and automobile components trading. LIL manufactures cylinder liners and cast-iron products. The centrifugally cast cylinder liners are used in diesel automotive engines. LIL supplies to original equipment manufacturers of heavy, medium, and light commercial vehicles, tractors, and diesel engines worldwide. The company has manufacturing units in Vijayawada (Andhra Pradesh), and Rudrapur (Uttarakhand) with an installed capacity of 24 crore liners per annum. The company has set up the trading division after acquisition of Jai Motors Ltd in January 2009. Under this division, LIL is a distributor in South India for automotive component manufacturing companies. It is an exclusive distributor of Shriram Pistons & Rings Ltd and Allied Nippon Ltd for AP, Telangana, Karnataka, Kerala, and Tamil Nadu. It is also a distributor of six other automotive component manufacturing companies in South India.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	CRISIL D/ CRISIL D; ISSUER NOT COOPERATING	May 19, 2023

Any other information: Not Applicable

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023		Date & Rating in FY2022	Date & Rating in FY2021
						06-Oct-2023	07-Oct-2022		
1	Cash Credit	Long Term	27.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Term Loan	Long Term	7.20	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3	Fixed Deposit	Long Term	5.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	MD; ISSUER NOT COOPERATING	MD; ISSUER NOT COOPERATING
4	Non Fund Based	Short Term	15.75	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
5	Unallocated	Long Term / Short Term	0.05	-	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Fixed Deposit	Simple
Non Fund Based	Very Simple
Unallocated	Not Applicable

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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	27.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	7.20	[ICRA]D; ISSUER NOT COOPERATING
NA	Fixed Deposit	-	-	-	5.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	15.75	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	0.05	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING

Source: Liners India Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Shamsher Dewan

+91 12 4454 5300

shamsherd@icraindia.com

Subhechha Banerjee

+91 33 7150 1130

subhechha.banerjee@icraindia.com

Sweety Shaw

+91 33 7150 1180

sweety.shaw@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6169 3300

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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