

July 11, 2024

Lakshmi Vacuum Heat Treaters Pvt Ltd: Moved to Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Fund based- Term loan	18.88	18.88	[ICRA]BB-(Stable); ISSUER NOT COOPERATING*; Moved to the 'Issuer Not Cooperating' category
Long term - Fund based - Cash credit	2.00	2.00	[ICRA]BB-(Stable); ISSUER NOT COOPERATING*; Moved to the 'Issuer Not Cooperating' category
Long term - Unallocated limits	2.85	2.85	[ICRA]BB-(Stable); ISSUER NOT COOPERATING*; Moved to the 'Issuer Not Cooperating' category
Total	23.73	23.73	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the bank facilities of **Lakshmi Vacuum Heat Treaters Pvt Ltd** to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]BB-(Stable)ISSUER NOT COOPERATING"

The rating is based on limited cooperation from the entity since the time it was last rated in April 2024. As a part of its process and in accordance with its rating agreement with Lakshmi Vacuum Heat Treaters Pvt Ltd, 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 cooperation and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities and 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	Corporate Credit Rating Methodology Policy In Respect of Non-Cooperation by a Rated Entity
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on LVHPL's standalone financial statements

About the company

The Lakshmi Group 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. Lakshmi Vacuum Technologies was formed in 2007 in Bengaluru to manufacture furnaces. Lakshmi Vacuum Heat Treaters Limited (LVHPL) is involved in providing vacuum heat treatment services used to carry out processes such as hardening and tempering, annealing & stress relieving, brazing, sintering, nitriding, etc.

LVHPL procures the vacuum furnaces from its sister concern - Lakshmi Vacuum Technologies Private Limited (LVTPL) - which is then used for the heat treatment process in the heat treatment division. The heat treatment is used for auto components, hardware tools and metal parts, etc. After the heat treatment process, the components are used by various industries as per their applications. LVHPL has five heat treatment plants across the country.

Status of non-cooperation with previous CRA

	Ratings	Date
CARE Ratings	CARE B-; ISSUER NOT COOPERATING	July 12, 2023

Any other information: None

Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Current Rating (FY2025)		Chronology of Rating History for the past 3 years		
			Date & Rating in		Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
			July 11, 2024	Apr 30, 2024	-	Jan 19, 2023	-
1 Fund-based - Cash credit	Long-term	2.00	[ICRA]BB-(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable)	-	[ICRA]B+(Stable)	-
2 Fund-based - Term loan	Long-term	18.88	[ICRA]BB-(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable)	-	[ICRA]B+(Stable)	-
3 Unallocated	Long-term	2.85	[ICRA]BB-(Stable) ISSUER NOT COOPERATING	[ICRA]BB-(Stable)	-	[ICRA]B+(Stable)	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term – Fund based - Cash credit	Simple
Long Term – Fund Based - Term loan	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	2.00	[ICRA]BB- (Stable) ISSUER NOT COOPERATING
-	Fund-based Term loan	Nov 2019	NA	Jan 2027	18.88	[ICRA]BB- (Stable) ISSUER NOT COOPERATING
-	Unallocated	NA	NA	NA	2.85	[ICRA]BB- (Stable) ISSUER NOT COOPERATING

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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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.

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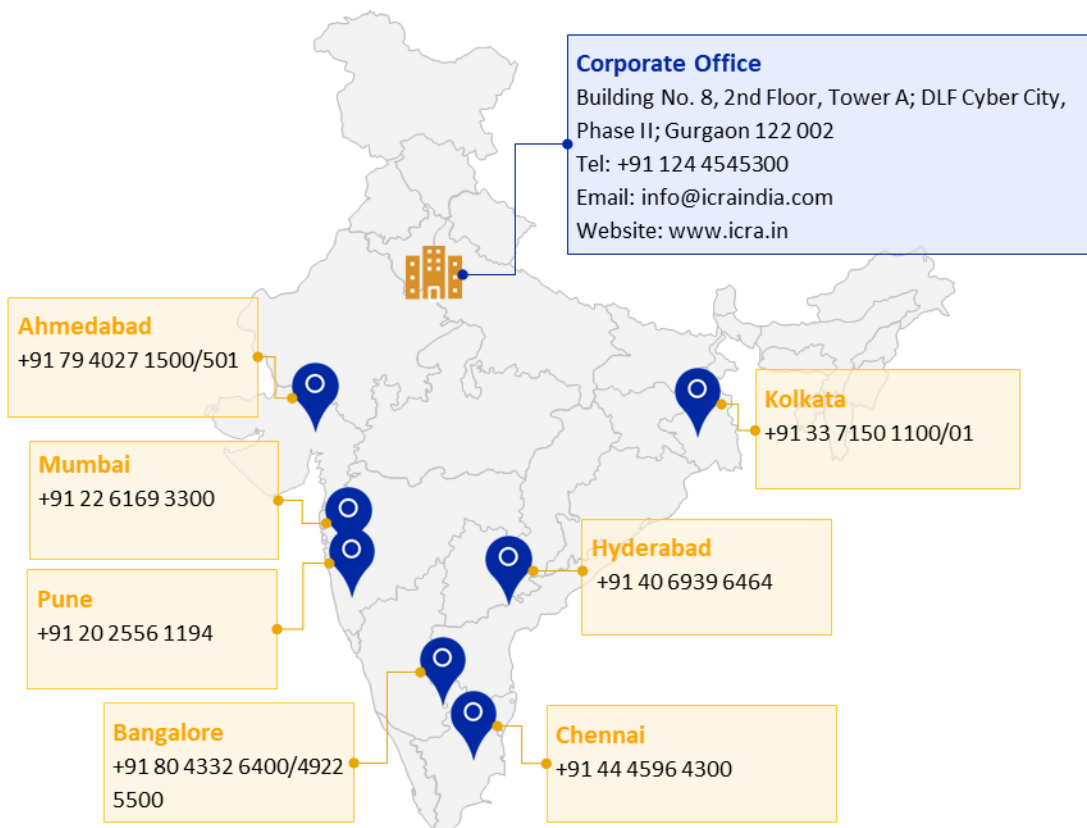
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