



## Press Release

### Lotus Surgicals Private Limited

September 15, 2022

#### Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	26.56	IVR BB+; ISSUER NOT COOPERATING* (IVR Double B Plus; ISSUER NOT COOPERATING*)	Revised and migrated at ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	4.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A four Plus; ISSUER NOT COOPERATING*)	Revised and migrated at ISSUER NOT COOPERATING category	Simple
<b>Total</b>	<b>30.56 (Rupees Thirty crore and fifty-six lakhs only)</b>			

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

**Details of Facilities are in Annexure 1**

#### Detailed Rationale

The revision in the ratings assigned to the bank facilities of Lotus Surgicals Private Limited (LSPL) reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the firm to provide the required data to monitor its assigned rating to the bank facilities, vide last email communication dated September 13, 2022, and concurrently over several phone calls. However, despite repeated requests by



## Press Release

Infomerics, the company's management has not submitted all the essential details required for monitoring the ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of LSPL aggregating Rs.30.56 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

### **Analytical Approach:** Standalone

### **Applicable Criteria:**

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Criteria of assigning Rating Outlook](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

### **About the Company**

Lotus Surgicals Private Limited (LSPL incorporated in October 2005, located in Dehradun, Uttarakhand. The company is engaged in manufacturing of surgical and medical products primarily sutures, hernia mesh, skin staplers, handwash, handrub, hermosc clips, hermorrhoid stapler, and endoscopic linear cutter. The facility is WHOGMP, CE ISO certified.

### **Financials (Standalone):**

(Rs. crore)		
For the year ended/ As On*	31-03-2021 (Audited)	31-03-2022 (Prov.)
Total Operating Income	84.26	116.15
EBITDA	11.48	22.6
PAT	2.52	14.39
Total Debt	25.43	23.82
Tangible Net worth	32.52	48.93
Ratios		
EBITDA Margin (%)	13.62	19.46
PAT Margin (%)	2.99	12.37
Overall Gearing Ratio (x)	0.78	0.49

\*Classification as per Infomerics' standards



## Press Release

**Status of non-cooperation with previous CRA:** Brickwork Ratings in their press release dated November 18, 2021, has continued to classify Lotus Surgicals Private Limited as ISSUER NOT COOPERATING.

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (June 17, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loan	Long Term	4.56	IVR BB+; Issuer Not Cooperating*	IVR BBB-/CWDI (IVR Triple B Minus under credit watch with developing implications)	-	-
2.	Cash Credit	Long Term	22.00	IVR BB+; Issuer Not Cooperating*	IVR BBB-/CWDI (IVR Triple B Minus under credit watch with developing implications)	-	-
3.	Letter of Credit	Short Term	2.25	IVR A4+/ Issuer Not Cooperating*	IVR A3/ CWDI (IVR A Three under credit watch with developing implications)	-	-
4.	Bank Guarantee	Short Term	1.75	IVR A4+/ Issuer Not Cooperating*	IVR A3/ CWDI (IVR A Three under credit watch with developing implications)	-	-

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



## Press Release

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



## Press Release

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Facility– Term Loan	-	-	June 2021	0.56	IVR BBB-/CWDI (IVR Triple B Minus under credit watch with developing implications)
Long Term Fund Based Facility– WCTL	-	-	April 2024	4.00	IVR BBB-/CWDI (IVR Triple B Minus under credit watch with developing implications)
Long Term Fund Based - Cash Credit	-	-	Revolvin g	22.00	IVR BBB-/CWDI (IVR Triple B Minus under credit watch with developing implications)
Short Term Non-Fund Based – Letter of Credit	-	-	-	2.25	IVR A3/CWDI (IVR A Three under credit watch with developing implications)
Short Term Non-Fund Based – Bank Guarantee	-	-	-	1.75	IVR A3/CWDI (IVR A Three under credit watch with developing implications)

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

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable



## Press Release

**Annexure 3: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/Len-Lotus-Surgicals-sep22.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).