

Press Release

Lahari Laminates Private Limited

July 1, 2019

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action
Long Term Fund based facilities- Cash Credit	20.00	IVR BB+/Stable Outlook ISSUER NOT COOPERATING* (Rating moved to Issuer Not Cooperating category from IVR BB+/Stable)	Moved to ISSUER NOT COOPERATING Category and revised from IVR BB+ with Stable Outlook
Total	20.00		

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

Details of Facility are in Annexure 1

Detailed Rationale

Availability of information from the client is a key factor in the assessment of credit risk. However, no operational or financial information has been provided by the company. Based on information available at the time of last review/surveillance, the ratings have been migrated to 'IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING'.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & annual report for FY18 to monitor its assigned rating to the bank facilities, vide E-mail communications dated May 21, 2019, June 3, 2019 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. However, the company has been submitting 'NO DEFAULT STATEMENT' on a timely manner. 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 long- term ratings for the bank loan facilities of Lahari Laminates Pvt Ltd aggregating to Rs.20.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+/Stable: Issuer Not Co-operating; Based on best available information. (IVR Double B Plus/Stable: Issuer Not Co-operating; Based on best available

information). Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

Incorporated in February 1994, by Raipur Chhattisgarh based Shri Pradeep Agarwal, LLPL is engaged in manufacturing of decorative laminated sheets with its manufacturing unit located in Raipur (Chhattisgarh) with a capacity of 2.16 million sheets per annum. LLPL commenced its operations from April, 1994. The company manufactures interior decorative laminates with thickness ranging from 0.7 millimetre (mm) to 1 mm and exterior laminates. Laminates are mostly used in the real estate industry and in manufacturing of furniture's. LLPL sells its products under its various brands like Big Boss, Marina, Marbonite, Lahari Lam, Rim Zim, Digi gold, Lahari digital, Digi Star, Digi Prime etc. and operates in various states like, Maharashtra, Karnataka, Delhi, Chhattisgarh, West Bengal and Gujarat through brokers/dealers. Currently the company has a network of about 250 dealer/broker spread across these states.

Financials (Standalone)

(Rs. Crore)

For the year ended* / As On	31-03-2016	31-03-2017
	Audited	Audited
Total Operating Income	23.01	35.50
EBITDA	4.35	3.98
PAT	0.14	0.23
Total Debt	12.06	10.03
Tangible Net worth	13.28	13.50
EBITDA Margin (%)	18.92	11.20
PAT Margin (%)	0.58	0.64
Overall Gearing Ratio (x)	0.91	0.74

**Based on Infomerics classification*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

	Current Rating (Year 2019-20)	Rating History for the past 3 years

S. No.	Name of Instrument/Facilities	Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17
1.	Long Term Fund based facilities- Cash Credit	Long Term	20.00	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*	IVR BB+ / Stable Outlook (IVR Double B Plus with Stable Outlook) (March 12, 2018)	--	--

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.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company’s long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

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.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund based facilities- Cash Credit	-	-	-	20.00	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*