

K. G. Lakshmipathi and Company

September 14, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	6.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.25	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	8.25 (Rs. Eight Crore and Twenty-Five Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 06, 2021, placed the rating(s) of K. G. Lakshmipathi and Company (KGLC) under the 'issuer non-cooperating' category as KGLC had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KGLC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 22, 2022, July 02, 2022, July 12, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [August 06, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Firm

Chennai based K.G. Lakshmipathi and Co. (KGLC) was established in 1951 as a partnership firm by Mr. K.G. Lakshmipathi along with his family members. After the demise of Mr. K.G. Lakshmipathi in 2010, the firm was reconstituted and presently it is governed by the partnership deed dated December 24, 2010 wherein the partners include Mr. L. Soundar Rajan (son of Mr. Lakshmipathi) and his two sons Mr. S. Vikram and Mr. S. Karthik. KGLC is a Class I contractor registered with Central Public Works Department (CPWD), Chennai Corporation and Southern Railway. The firm is engaged in the business of civil construction for various government organizations and private companies for works like road and airport runway construction and maintenance, earth work, building construction etc. The firm executes work orders of about 90% for Governments (State as well as Central) and the remaining for private companies such as laying roads on the site developed by the private builders. The day-to-day affairs of the firm are looked after by Mr. S. Vikram, the Managing Partner, with adequate support from other two partners.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	NA	NA	NA	NA
PBILDT	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this Firm: Annexure 4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Non-fund-based - ST-Bank Guarantee		-	-	-	2.25	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft		-	-	-	6.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Non-fund-based - ST-Bank Guarantee	ST	2.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (06-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE A4; ISSUER NOT COOPERATING* (27-May-19)
2	Fund-based - LT-Bank Overdraft	LT	6.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (06-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (23-Jul-20)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (27-May-19)

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

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of various instruments rated for this firm

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Bank lender details for this Firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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