

## Lakshmi Precision Screws Limited

August 18, 2021

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	115.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	77.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>192.50</b> <b>(Rs. One Hundred Ninety-Two Crore and Fifty Lakhs Only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated June 30, 2020, placed the rating(s) of Lakshmi Precision Screws Limited (LPSL) under the 'issuer non-cooperating' category as LPSL 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. LPSL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 16, 2021, May 26, 2021, June 05, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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.**

### Detailed description of the key rating drivers

Please refer to PR dated [June 30, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria:

[Policy in respect of non-co-operation by issuer](#)

[CARE's Policy on Default Recognition](#)

### About the company

Lakshmi Precision Screws Ltd (LPSL) was incorporated in January 1968 as a private limited company. Subsequently, the company was reconstituted as a public limited company in 1972. LPS is engaged in the manufacturing of high -tensile fasteners with total installed capacity of 28,432 Metric Tonnes Per Annum (MTPA), as on March 31, 2017. The company currently has four manufacturing units, three are situated in Rohtak and one in Gurgaon, Haryana. The company caters to various sectors such as wind Energy, Oil & Gas, Locomotives, Automobiles, Agriculture Equipment (tractors) and different industrial requirements. Apart from this, the company is also engaged in trading of high-tensile fasteners.

Brief financials of LPSL are tabulated below:

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	313.27	259.42
PBILDT	21.57	4.47
PAT	-9.75	-40.97
Overall gearing (times)	3.96	11.26
Interest coverage (times)	0.57	0.11

A – Audited

<sup>1</sup> Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

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

**Status of non-cooperation with previous CRA:** Brickworks has retained its ratings assigned to the bank facilities of RCIPL vide press release dated July 27, 2021 on account of its inability to carry out a rating surveillance in the absence of the requisite information from the company.

**Any other information:** Not Applicable

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

**Complexity level of various instruments rated for this company:** Please refer Annexure-3

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits	-	-	-	115.50	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	77.00	CARE D; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Working Capital Limits	LT	115.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-19) 2)CARE D (03-Aug-18)
2.	Non-fund-based - ST-BG/LC	ST	77.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-19) 2)CARE D (03-Aug-18)

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

**Annexure 3: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Working Capital Limits	Simple
2.	Non-fund-based - ST-BG/LC	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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**About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**