



ICRA

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CONFIDENTIAL

Ref. No. ICRA/L.G. Balakrishnan & Bros Limited/25082021/1

August 25,2021

Mr. N. Rengaraj,
Chief Financial Officer,
L.G. Balakrishnan & Bros Limited,
6/16/13, Krishnarayapuram Road,
Ganapathy, Coimbatore – 641 006.

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 325.00 crore Bank Facilities and Rs. 40.00 crore Fixed Deposit Programme of L.G. Balakrishnan & Bros Limited (instrument details in Annexure)

Please refer to the Rating Agreement dated November 12,2015 and October 04,2019 executed between ICRA Limited (“ICRA”) and your company, whereby ICRA is required to review its ratings, on an annual basis, or as and when the circumstances warrant.

Based on a review of the latest developments, the Rating Committee of ICRA, after due consideration has reaffirmed the long-term rating at **[ICRA]AA** (pronounced ICRA double A) and the short-term rating at **[ICRA]A1+** (pronounced ICRA A one plus) to the captioned bank facilities of your company. The outlook on the long-term rating is ‘**Stable**’. The Rating Committee of ICRA, after due consideration, has also reaffirmed the medium term ratings at **MAA** (pronounced M double A) to the fixed deposit programme of your company. The outlook on the rating is ‘**Stable**’. MAA rated deposits programme carries low credit risk and high credit quality rating. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations and Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial-obligations.

In any of your publicity material or other document wherever you are using the above Rating(s), it should be stated as **[ICRA]AA(Stable)/MAA(Stable)/[ICRA]A1+**.

The aforesaid ratings will be due for surveillance any time before **August 22, 2022**.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated bank facility availed by your company.

ICRA reserves the right to review and/ or, revise the above Rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to your company.

The Ratings are specific to the terms and conditions of the LOC as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any



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change in the terms and conditions or the size of the rated bank facilities, the same must be brought to our notice before the bank facilities is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the bank facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

for ICRA Limited

(K. Srikumar)

Vice President & Co-Group Head, Corporate Ratings

ksrikumar@icraindia.com



Annexure

Instrument Details

Details of Bank Limits Rated by ICRA (Rated on Long-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Union Bank of India – Fund based (working capital facilities)	10.00	[ICRA]AA(Stable)	August 23, 2021
HDFC Bank – Fund based (working capital facilities)	30.00	[ICRA]AA(Stable)	August 23, 2021
IDBI Bank – Fund based (working capital facilities)	15.00	[ICRA]AA(Stable)	August 23, 2021
ICICI Bank – Fund based (working capital facilities)	25.00	[ICRA]AA(Stable)	August 23, 2021
Indus Ind Bank – Fund based (working capital facilities)	5.00	[ICRA]AA(Stable)	August 23, 2021
Yes Bank – Fund based (working capital facilities)	10.00	[ICRA]AA(Stable)	August 23, 2021
HSBC Bank – Fund based (working capital facilities)	30.00	[ICRA]AA(Stable)	August 23, 2021
Unallocated	100.00	[ICRA]AA(Stable)	August 23, 2021
Total	225.00		

Details of Bank Limits Rated by ICRA (Rated on Short-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Union Bank of India – Non Fund based (working capital facilities)	5.00	[ICRA]A1+	August 23, 2021
HDFC Bank – Non Fund based (working capital facilities)	10.00	[ICRA]A1+	August 23, 2021
IDBI Bank – Non Fund based (working capital facilities)	20.00	[ICRA]A1+	August 23, 2021



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ICICI Bank – Non Fund based (working capital facilities)	15.00	[ICRA]A1+	August 23, 2021
Indus Ind Bank – Non Fund based (working capital facilities)	25.00	[ICRA]A1+	August 23, 2021
Yes Bank – Non Fund based (working capital facilities)	20.00	[ICRA]A1+	August 23, 2021
HSBC Bank – Non Fund based (working capital facilities)	5.00	[ICRA]A1+	August 23, 2021
Total	100.00		

Details of Limits Rated by ICRA (Rated on Medium-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Fixed Deposits Programme	40.00	MAA(Stable)	August 23, 2021
Total	40.00		