

**CONFIDENTIAL**

**Ref:** ICRA/L.G. Balakrishnan & Bros Limited/28072023/1

**Date:** July 28, 2023

**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. 250.00 crore bank facilities (details as per Annexure) of L.G. Balakrishnan & Bros Limited**

Please refer to the Rating Agreement 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 so 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)**. The Rating Committee of ICRA, after due consideration, has also reaffirmed the short-term Rating at **[ICRA]A1+ (pronounced ICRA A one plus)** (“Rating”). The outlook on the long-term rating is **Stable**.

For Rating definition(s), please refer to ICRA website at [www.icra.in](http://www.icra.in).

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)/[ICRA]A1+**.

The aforesaid Rating(s) will be due for surveillance any time before July 23, 2024. However, ICRA reserves the right to review and/or, revise the above Rating(s) at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Rating(s). Therefore, request the lenders and Investors to visit ICRA website at [www.icra.in](http://www.icra.in) for latest Rating(s) of the Company.

The Rating(s) are specific to the terms and conditions of the bank facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the Rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the bank facilities are used by you. In the event such changes occur after the Rating(s) have

been assigned by us and their use has been confirmed by you, the Rating(s) would be subject to our review, following which there could be a change in the Rating(s) previously assigned. Notwithstanding the foregoing, any change in the overall limit of the bank facilities from those specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

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 facilities availed/issued by your company.

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 programs of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. 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]  
[Senior Vice President & Co-Group Head]  
Email: [ksrikumar@icraindia.com](mailto:ksrikumar@icraindia.com)

**Annexure**
**Instrument Details**

<b>Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)</b>	<b>Amount (Rs. crore)</b>	<b>Rating</b>	<b>Rating Assigned on</b>
	<b>Fund based working capital facilities</b>		
Standard Chartered Bank	10.00	[ICRA]AA(Stable)	July 24, 2023
HDFC Bank Limited	30.00		
IDBI Bank Limited	15.00		
ICICI Bank Limited	25.00		
IndusInd Bank Limited	5.00		
YES Bank Limited	10.00		
HSBC Limited	30.00		
Axis Bank Limited	25.00		
<b>Total</b>	<b>150.00</b>		

<b>Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale)</b>	<b>Amount (Rs. crore)</b>	<b>Rating</b>	<b>Rating Assigned on</b>
	<b>Non-Fund based working capital facilities</b>		
Standard Chartered Bank	5.00	[ICRA]A1+	July 24, 2023
HDFC Bank Limited	10.00		
IDBI Bank Limited	20.00		
ICICI Bank Limited	15.00		
IndusInd Bank Limited	25.00		
YES Bank Limited	20.00		
HSBC Limited	5.00		
<b>Total</b>	<b>100.00</b>		