

New Laxmi Industries Private Limited

May 03, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	33.50	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Total Bank Facilities	33.50 (Rs. Thirty-Three Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 09, 2021, placed the rating(s) of New Laxmi Industries Private Limited (NLIPL) under the 'issuer non-cooperating' category as NLIPL 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. NLIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 26, 2021, January 05, 2022, January 15, 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).

The ratings assigned to the bank facilities of NLIPL have been revised on account of non-availability of requisite information. The ratings further consider moderate scale of operations, moderate profitability margins, and moderate capital structure & debt coverage indicators during FY20 and FY21.

Detailed description of the key rating drivers

Please refer to PR dated [February 09, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

New Laxmi Industries Private Limited (NLIPL) was incorporated in February 2003 by Mr. Pawan Gupta. The Company was initially into manufacturing of granite. However, the company has shut down its granite manufacturing unit in 2014. However, the company has started its operation from 2015 to engage into manufacturing of structural steel items with its factory located At- Khurda, Odisha with a current installed capacity of 29,000 MTPA. Currently, the company is doing an expansion project and diversifying into manufacturing of "TMT Bars" with an installed capacity by 29,000 MTPA. The cost of expansion project is estimated to be Rs.27.44 crore which is to be funded through promoters' fund of Rs.6.32 crore, unsecured loan from promoter amounting to Rs.6.12 crore and term loan of Rs.15.00 crore. The company has already spent around Rs.16.00 crore on the aforesaid project till July 31, 2019, funded by term loans of Rs.10.00 crore and balance through promoters' contributions and the same is estimated to be completed by November, 2019. Mr. Pawan Kumar Gupta (Director) having around three decades of experience, in the similar line of business, look after the day to day operation of the company. He is supported by other directors and a team of experienced professionals.

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	38.49	66.54	NA
PBILDT	2.35	2.49	NA
PAT	0.77	0.51	NA
Overall gearing (times)	4.19	2.81	NA
Interest coverage (times)	2.63	2.63	NA

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

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

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of NLIPL into Issuer Not Cooperating category vide press release dated November 29, 2021 on account of its inability to carry out a review 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

Covenants of rated instrument/facility: Annexure -3

Complexity level of various instruments rated for this company: 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
Fund-based - LT-Cash Credit		-	-	-	18.50	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2025	15.00	CARE B; Stable; 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 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	18.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (09-Feb-21)	1)CARE BB-; Stable (27-Jan-20)
2	Fund-based - LT-Term Loan	LT	15.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (09-Feb-21)	1)CARE BB-; Stable (27-Jan-20)

*Issuer did not cooperate; Based on best available information

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

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

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure 5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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:

Established in 1993, CARE Ratings Ltd is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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.

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