

Sri Vaibhava Lakshmi Enterprises Private Limited

June 11, 2021

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Ratings | Rating Action |
|------------------------------|-----------------------|---------|--|
| Long Term Bank Facilities | - | - | Reaffirmed at CARE D (Single D) and Withdrawn |
| Total Bank Facilities | - | | |

Detailed Rationale and Key Rating Drivers

CARE has reaffirmed and withdrawn the outstanding ratings of CARE D (Single D) assigned to the bank facilities of Sri Vaibhava Lakshmi Enterprises Private Limited with immediate effect. The above action has been taken at the request of Sri Vaibhava Lakshmi Enterprises Private Limited and 'No Objection Certificate' received from the bank that have extended the facilities rated by CARE. The company availed moratorium from March 2020 to August 2020.

Detailed description of the key rating drivers

Key Rating Weaknesses

Delay in servicing the debt obligation

There are delays in servicing the debt obligation due to cashflow mismatches.

Key Rating Strengths

Satisfactory track record, experienced and resourceful promoter

Sri Vaibhava Lakshmi Enterprises Private Limited (SVLEPL) was incorporated in the year 2011 and promoted by Mr. K. Venkatanarayana (Managing Director), Ms. K. Vasanta Sandhya Rani (Director) along with other family members. He has experience of more than a decade in the same line of business. Due to long term presence in the market, the partners have good relationship with suppliers and customers

Analytical approach: Standalone

Applicable Criteria

[Policy on Withdrawal of ratings](#)

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

[CARE's Policy on Curing period](#)

[Rating Criteria – Manufacturing Companies](#)

[Financial ratios –Non-Financial Sector](#)

About the company

Sri Vaibhava Lakshmi Enterprises Private Limited (SVLEPL) was incorporated in the year 2011 and promoted by Mr. K. Venkatanarayana (Managing Directors), Ms. K. Vasanta Sandhya Rani (Director) along with other family members. The firm is engaged in farming of egg, laying poultry birds (chickens) and trading of eggs, cull birds and their Manure.

| Brief Financials (Rs. crore) | FY19(A) | FY20(A) |
|------------------------------|---------|---------|
| Total operating income | 49.45 | 62.50 |
| PBILDT | 6.91 | 7.39 |
| PAT | 0.55 | 0.61 |
| Overall gearing (times) | 5.33 | 4.89 |
| Interest coverage (times) | 2.01 | 1.91 |

A: Audited

Status of non-cooperation with previous CRA: CRISIL has conducted review on the basis of best available information and has Sri Vaibhava Lakshmi Enterprises Private Limited as "Not Cooperating category" vide its press release dated June 18, 2020

Any other information: Not Applicable

Rating History: Please refer Annexure-2

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-Term Loan | - | - | - | 0.00 | Withdrawn |
| Fund-based - LT-Cash Credit | - | - | - | 0.00 | Withdrawn |

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-Term Loan | LT | - | - | 1)CARE D (01-Jun-21) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (17-Mar-21) | 1)CARE B+; Stable (23-Mar-20) | 1)CARE B+; Stable (14-Jan-19) |
| 2. | Fund-based - LT-Cash Credit | LT | - | - | 1)CARE D (01-Jun-21) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (17-Mar-21) | 1)CARE B+; Stable (23-Mar-20) | 1)CARE B+; Stable (14-Jan-19) |

Annexure-3: Detailed explanation of covenants of the rated instrument -Not Applicable**Annexure 4: Complexity level of various instruments rated for this company**

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|-----------------------------|------------------|
| 1. | Fund-based - LT-Cash Credit | Simple |
| 2. | Fund-based - LT-Term Loan | 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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

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