

## Lotus Infrarealty Limited

May 14, 2021

### Rating

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	12.50	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)
<b>Total Bank Facilities</b>	<b>12.50</b> <b>(Rs. Twelve Crore and Fifty Lakhs Only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 01, 2020, placed the rating of Lotus Infrarealty Limited (LIL) under the 'issuer non-cooperating' category as LIL had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. LIL continues to be non-cooperative despite repeated requests for submission of information through phone calls and an email dated February 15, 2021, February 25, 2021 and March 07, 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 ratings.***

The rating assigned to the bank facilities of LIL have been revised on account of negative net worth as on March 31, 2020 and CARE's inability to carry out due diligence exercise with its lender.

### Detailed description of key rating drivers

Please refer to PR dated [April 01, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

### About the Company

Indore (Madhya Pradesh) based Lotus Infrarealty Limited (LIL) was incorporated as a closely held limited company in December 2010 by Chourasiya family. LIL is formed with a purpose to construct commercial and residential projects as well as construction and running of multiplex cinema under its own brand name. Currently, LIL has undertaken one residential project named "Shri Sai Lotus City" and one commercial project named "Lotus Convent Court". The company is also running multiplex 2 screen cinema at Satarpura.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	3.02	3.72
PBILDT	3.54	3.24
PAT	0.40	0.44
Overall gearing (times)	NM	NM
Interest coverage (times)	1.45	1.40

*A: Audited, NM: Not meaningful*

**Status of non-cooperation with previous CRA:** Brickworks has put ratings assigned to the bank facilities of LIL in to 'Non-Cooperation' vide press release dated December 23, 2020 on account of non-cooperation by LIL with Brickwork's efforts to undertake a review of the ratings outstanding.

<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

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Please refer Annexure-3

**Complexity level of various instruments rated for this company:** Please refer Annexure-4

**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	-	-	March, 2025	12.50	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 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	12.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Apr-20)	-	1)CARE BB-; Stable (06-Mar-19)

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

**Annexure 3: Covenants of rated instrument/facility: 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-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](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.

### Disclaimer

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