

Laxmi Enterprises_(Jharkhand)

June 06, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	6.00	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable;
Short Term Bank Facilities	14.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated April 24, 2023, placed the rating(s) of Laxmi Enterprises_(Jharkhand) (LE) under the 'issuer non-cooperating' category as LE 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. LE continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 09, 2024, March 19, 2024, March 29, 2024.

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 LE have been revised on account of non-availability of requisite information.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 24, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

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

About the Firm

Established in January 2002, Laxmi Enterprises (LE) is majorly engaged in the business of civil construction projects like railway track installation, approach roads, level crossing, staff quarters etc. at West Singhbhum district of Jharkhand. The firm participates in the tender process of various renowned organisations like SAIL, Indian Railways etc. and has an order book position of Rs.119.57 crore as on October 31, 2019 which is 2.22x of FY19 revenue. LE is also having its stone crushing unit at Katanga in the district of Saraikela-Kharsawan of Jharkhand. The installed capacity is 4.50 lakh of various sized stones, required for construction, road project, rail track etc. Mr. Vikash Kumar Saw (aged, 38 years), having around two decades of experience in the construction industry, looks after the day to day operations of the firm. He is supported by other partner Mrs. Sangeeta Saw, Mrs. Lakhi Devi, Mr. Ashish Kumar Saw and a team of experienced professionals.

Brief Financials (Rs. crore)	March 31, 2019 (A)	March 31, 2020 (A)
Total operating income	53.98	56.58
PBILDT	9.21	10.14
PAT	2.64	3.25
Overall gearing (times)	2.07	1.37
Interest coverage (times)	4.18	4.64

A: Audited; Note: 'the above results are latest financial results 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: Acuite (SMERA) has moved the ratings assigned to the bank facilities of LE to the 'issuer not-cooperating' category vide press release dated March 07, 2024 on account of its inability to carryout review in the absence of requisite information from the firm.

Any other information: Not Applicable

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

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	14.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	6.00	CARE B; Stable; ISSUER NOT COOPERATING *	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (24-Apr-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (18-Apr-22)	-
2	Non-fund-based - ST-Bank Guarantee	ST	14.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING* (24-Apr-23)	1)CARE A4; ISSUER NOT COOPERATING * (18-Apr-22)	-

*Issuer did not cooperate; based on best available information; LT: Long term; ST: Short term

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Note on the complexity levels of the rated instruments: CARE Ratings 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 us:

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Disclaimer:

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