LSC Mines and Minerals Private Limited (Revised)

July 01, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	35.00	CARE BBB+; Stable	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

The ratings assigned to the bank facilities of LSC Mines and Minerals Private Limited (LSCMPL) reflect its strong parentage, being a 100% subsidiary of LSC Infratech Limited (rated CARE A-; Stable). LSC Infratech Limited has sizeable crushing capacity and adequate storage infrastructure supported by 10 crushing units spread across Uttarakhand and Rajasthan. LSC demonstrated consistent improvement in scale and profitability in the last several years, aided by operational efficiencies, arising from the gradual replacement of diesel-powered machinery with electric vehicle (EV) and loop-wire powered systems, optimisation in consumables and freight outward expenses, and maintained steady plant utilisation even during procurement-restricted months. In FY25, the company reported healthy operational performance with ~40% growth in total operating income (TOI), supported by sizeable land bank of 60–70 acre each, enabling the company to undertake substantial pre-monsoon inventory build-up, which is critical in a seasonal mining regime and provides financial flexibility to store high-volume inventory, which supports uninterrupted sales and stronger realisations during periods of reduced market supply.
The ratings favourably takes into account LSCMPL's operational and financial synergies arising from shared resources across finance, marketing, and procurement functions, along with the company's strategic role in enhancing the group's geographic footprint in Rajasthan, Chittorgarh, and Roorkee. Moreover, LSC Infratech Limited has also extended corporate guarantee for the bank facilities of LSC Mines and Minerals Private Limited.

The ratings also factor in LSCMPL's established supply linkages with a leading glass manufacturer, whereby silica sand supplied by the company is a critical raw material. The company has 2.28 crore reserves of silica sand and 5.70 crore reserves of masonry. Further, the rating also derive strength from the continued financial support from its parent, including interest-free intercorporate deposits of ₹30.69 crore as of March 31, 2026, with no fixed repayment schedule, supporting a moderate financial risk profile. However, the ratings remain constrained by the company's modest scale of operations, high working capital intensity and environmental and regulatory compliance risks.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in the credit profile of the parent, LSC
- Steady increase in revenue to over Rs 75 crore and sustained operating margin, leading to higher-than-expected cash accrual

Negative factors

- Deterioration in the credit profile of the parent
- Decline in revenue below Rs 20 crore or fall in operating margin resulting in lower-than-expected cash accrual

Analytical approach: Standalone approach factoring in operational and financials linkages with the parent i.e. LSC Infratech Limited.

Outlook: Stable

CARE Ratings believes the company will continue to benefit from its strong parentage and extensive experience of the management.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Detailed description of key rating drivers:

Key strengths

Strong Parentage
The flagship company of LSCMPL, i.e. LSC Infratech Limited was incorporated on April 13, 1988, under the name Lalkuan Stone Crushers Limited and later rebranded to LSC. The company is one of North India's largest producers of crushed stone, grits, and sand, with a well-established name and significant scale of operations. The group was founded and is led by Shiv Kumar Agarwal, who brings nearly three decades of experience and is widely recognised for steering KGI's expansion across its verticals. He also held key industry leadership roles, including serving as the Founder Member and Past President of the Kumaon Garhwal Chamber of Commerce and Industry (KGCCI) and Past Chairman of the CII Kumaon Division. He is actively supported in business operations by his two sons, Abhishek Agarwal and Saurabh Agarwal, who contribute to strategic, operational, and technological initiatives within the group. LSC Infratech Limited continues to extend strong financial, operational, and managerial support to LSC Mines and Minerals Private Limited (LSCMM), including the provision of a corporate guarantee for the subsidiary's bank facilities. Over the years, the group has built a strong presence in the northern region through its diverse businesses, operational capabilities, and customer relationships.

Moderate financial risk profile
The financial risk profile of the company stood moderate considering a very modest net-worth base owing to initial stages of operations. The overall gearing ratio of the company stood at 2.86x as on March 31, 2026 (PY: 2.21x). As per the latest sanction letter issued by HDFC Bank Limited dated March 31, 2026, for the audited financial statements of FY25, the company is required to maintain a combined Total Net Worth (TNW) and Unsecured Loans (USL) of ₹13 crore, which has accordingly been considered as quasi-equity. As on March 31, 2026, the unsecured loans from parent increased to Rs.30.69 crore and the same were availed for the payment of CC limit of Rs.15 crore of SBI Bank which was availed in FY25.
Since, the unsecured loans are interest free and without any pre-defined repayment schedule, the adjusted overall gearing as on March 31, 2026 stood at 0.86x.
The debt coverage indicators stood moderate with Interest coverage (PBILDT/Interest) and total debt to GCA of 2.64x and 11.23x respectively as on March 31, 2026. The total debt to GCA was substantially higher owing to increase in unsecured loans.

Key weaknesses

Modest Scale of operations
During FY25, company reported ~26% contraction in revenue, as mining activities could not commence on time due to delays in receiving statutory approvals (The Consent to operate was already in place however renewal was due). The company was able to begin operations from its own mine only in January 2024, after a prolonged approval lead time of nearly 1.5 years. During this period, LSC Mines & Minerals Pvt. Ltd. relied on market procurement, but raw-material availability in FY25 remained limited, further constraining volumes. The company now holds 38-year mining rights, and the approval delay is considered a one-time event, with operations expected to stabilise going forward. During FY26, post the renewal of Consent to operate, the company achieved total operating income of Rs.22.76 crore, which is similar to FY24 levels. in FY26, the company has reported PBILDT margin of 18.53% as against 29-40% reported up to FY24. The same is on account of lower maintenance and upkeep costs in the initial phase of operations, as the plant and machinery was new and required minimal repairs or replacements. As operations stabilized, maintenance requirements gradually increased, leading to a normalization of margins.
LSCMPL has established supply linkages with a leading glass manufacturer, whereby silica sand supplied by the company is a critical raw material.

Working capital intensive nature of operations
The company holds large inventories because mining raw materials is not permitted during the monsoon season, which begins in May. As a result, inventory levels have been significant and volatile, ranging from 350-400 over the last three fiscals through 2025, and are expected to remain within a similar range over the medium term. Additionally, the reliance on working capital limits increases to more than 90% in Q1-26 due to inventory stocking requirements. The company regularly receives comfort from enhancements to its working capital limits on a timely basis. However, due to the nature of the business, operations are expected to remain working capital-intensive and exposed to volatility in realizations over the medium term.

Environmental and Regulatory Compliance Risks
The mining and stone-crushing sector is subject to stringent environmental and statutory regulations due to its inherently high impact on land, air, and water resources. Companies are required to obtain and periodically renew multiple approvals, including Consent to Establish/Operate from Pollution Control Boards, environmental clearances, mining leases, and adherence to forest and land-use regulations. Operations must also comply with norms related to dust control, noise pollution, waste management, water usage, and land rehabilitation. Non-compliance or delays in obtaining/renewing such approvals can lead to temporary suspension of operations, financial penalties, or permanent closure of mines.
For LSC Mines and Minerals Private Limited, this remains a key risk area, as demonstrated by the significant disruption in FY25 caused by delays in renewal of statutory approvals. Given the nature of the business, any future regulatory tightening, delays in approvals, or failure to meet environmental standards could adversely impact production levels, increase compliance costs, and affect overall financial performance.

Liquidity: Adequate
The liquidity remained adequate as characterized by estimated gross cash accruals (GCA) of Rs.4.20-5 crore from FY27 to FY29 as against expected repayment obligations of Rs.3.88 crore in FY27. The bank limit utilization remained at an average of ~86% for the trailing-12 months ended January, 2026.

Applicable criteria
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Notching by factoring linkages with parent

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals & Mining	Minerals & Mining	Industrial Minerals

LSC Mines and Minerals Private Limited is a private limited company incorporated on January 02, 2020 and registered with the Registrar of Companies, Uttarakhand. The company is promoted by Mr. Shiv Kumar Agarwal and Mr. Saurabh Agarwal, who are also its directors and are part of the broader LSC Group with experience in mining and infrastructure businesses. The company operates a mining and processing facility located in Karauli, Rajasthan, where it undertakes its core business activities. LSC Mines is engaged in open-pit mining, wherein extraction activities are carried out primarily through specialized third-party contractors. These contractors undertake drilling, blasting, and excavation using their own equipment, while the mining rights remain with the company. The extracted material is then transported to the adjacent processing unit, where it undergoes beneficiation, purification, and treatment before being supplied to end-user industries.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	17.02	22.76
PBILDT*	-2.09	4.22
Profit after tax (PAT)	-5.99	1.18
Overall gearing (x)	4.90	5.10
Interest coverage (x)	-1.29	2.64

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not Applicable
Any other information: Not Applicable
Rating history for last three years: Annexure-2
Detailed explanation of covenants of rated instrument / facility: Annexure-3
Complexity level of 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	8.00	CARE BBB+; Stable
Term Loan-Long Term		-	-	March 2031	27.00	CARE BBB+; Stable

Annexure-2: Rating history for 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 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (03-Jul-23) 2)Withdrawn (03-Jul-23)
2	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)CARE BBB-; Stable; ISSUER NOT COOPERATING* (03-Jul-23) 2)Withdrawn (03-Jul-23)
3	Fund-based - LT-Cash Credit	LT	8.00	CARE BBB+; Stable				
4	Term Loan-Long Term	LT	27.00	CARE BBB+; Stable				

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

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: NA

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here]

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026 to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

[2] SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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About us:

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