

Laxminarayan Shivhare

October 25, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	7.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	3.00	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	10.00 (Rs. Ten Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated November 13, 2020, placed the rating(s) of Laxminarayan Shivhare (LS) under the 'issuer non-cooperating' category as LS 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. LS continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 29, 2021, October 09, 2021, October 19, 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 rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [November 13, 2020](#)

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 Firm

Established in 1990, M/s Laxminarayan Shivhare (LS) is a proprietorship firm which is into the business of retailing of alcohol. The firm also operates a warehouse named M/s Maa Kaila Devi Warehouse. LS is part of Shivhare liquor group based in Madhya Pradesh (MP). LS holds retail liquor supplier license in MP and undertakes retail trade of Indian made foreign liquor (IMFL), beer, country liquor (CL), wine etc. The firm enters into open tendering process every year to avail license for the retailing of the liquor. Depending upon the allotment of shops during tendering, the number of shops held by the firm varies every year. The shops are allotted in MP by the state government through a competitive bidding process. Shivhare Liquor group has other associate concern namely M/s Ram Swaroop Shivhare, M/s Gopal Shivhare, M/s Laxmi Narayan Shivhare & M/s Kalpna Shivhare which are engaged in similar business activity.

Brief Financials (Rs. crore)	FY17(A)	FY18(P)
Total operating income	174.92	116.51
PBILD	4.22	3.25
PAT	2.14	1.93
Overall gearing (times)	2.57	1.95
Interest coverage (times)	2.23	2.82

A: Audited; P: Provisional

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors and Managing Director & CEO of CARE: 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 firm: 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		-	-	-	7.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantees		-	-	-	3.00	CARE D / CARE D; 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-Cash Credit	LT	7.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING * (13-Nov-20)	1)CARE D; ISSUER NOT COOPERATING * (31-Dec-19)	1)CARE D (17-Sep-18) 2) CARE C; ISSUER NOT COOPERATING * (31-Aug-18)
2	Non-fund-based - LT/ST-Bank Guarantees	LT/ST *	3.00	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE D / CARE D; ISSUER NOT COOPERATING * (13-Nov-20)	1)CARE D / CARE D; ISSUER NOT COOPERATING * (31-Dec-19)	1)CARE D / CARE D (17-Sep-18) 2) CARE C / CARE A4; ISSUER NOT COOPERATING * (31-Aug-18)

**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 firm

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantees	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.

Contact us

Media Contact

Name: Mr. Mradul Mishra
Contact no.: +91-22-6837 4424
Email ID: mradul.mishra@careratings.com

Analyst Contact

Name: Mrs. Shachee Vyas
Contact no.: 079-40265665
Email ID: shachee.tripathi@careratings.com

Relationship Contact

Name: Mr. Deepak Prajapati
Contact no.: 079-40265656
Email ID: deepak.prajapati@careratings.com

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.

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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