

Lemon Electronics Limited

December 27, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	22.50	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	65.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	87.50 (₹ Eighty-Seven Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 07, 2021, placed the rating(s) of Lemon Electronics Limited (LEL) under the 'issuer non-cooperating' category as LEL 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. LEL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 23, 2022, September 02, 2022, September 12, 2022.

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).

Detailed description of the key rating drivers

Please refer to PR dated [October 07, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on Default Recognition](#)

About the Company

Lemon Electronics Limited, was incorporated on June 9, 2008 was promoted by Mr. Sandeep Mushran, Mr. M.S. Malik and Mr. Gopal Kalra. Mr. Kapil Chugh, the managing director of the company, took over the management of the company in February, 2016. The company is primarily engaged in trading and assembling of mobile handsets under the brand name of 'Lemon'. The company has its assembling unit located in Noida, U.P.

Brief Financials (₹ crore)	FY21(A)	FY22(A)	H1FY23(Prov.)
Total operating income	0.25	NM	NA
PBILDT	-0.26	NM	NA
PAT	-0.24	NM	NA
Overall gearing (times)	-0.97	NM	NA
Interest coverage (times)	0.00	NM	NA

A-Audited, Prov.- Provisional, NA – Not Available, NM: Not Meaningful

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of LEL into 'Issuer not-cooperating' category vide press release dated June 24, 2022 on account of non-availability of requisite information from the company.

BRICKWORK has continued the ratings assigned to the bank facilities of LEL into 'Issuer not-cooperating' category vide press release dated June 21, 2022 on account of non-availability of requisite information from the company.

Any other information: Not Available

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE publications

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	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	22.50	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	-	65.00	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 (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	22.50	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (25-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (07-Aug-19)
2	Non-fund-based - ST-Letter of credit	ST	65.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (25-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (07-Aug-19)

*Issuer did not cooperate; Based on best available information

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

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

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

Annexure-5: Bank lender details for this company

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

Note on 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 CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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