



## Rating Rationale

Lakshmi Energy & Foods Limited

26 April 2019

Brickwork Ratings has reaffirmed and withdrawn the rating simultaneously, based on best available information, for the Bank Loan Facilities amounting to ₹ 1203.06 Crores of Lakshmi Energy & Foods Limited ('LEFL' or 'the Company').

## Particulars

Facility	Amount (₹ Crs)		Tenure	Rating*	
	Previous	Present		Previous (March 2018)	Present
Fund based	1203.06	1203.06	Long Term	Issuer did not Cooperate; based on best available information BWR D (Pronounced as BWR D)	BWR D (Pronounced as BWR D) Reaffirmed and simultaneously Withdrawal of the same.
<b>Total</b>	<b>1203.06</b>	<b>1203.06</b>	<b>INR Twelve Hundred &amp; Three Crores and Six Lakhs Only</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
Complete details of Bank facilities is provided in Annexure-I

### Rating: Reaffirmed and simultaneous Withdrawal

The rating was due for a review in March 2018 and despite follow up by BWR, adequate information was not received from the Company to complete a rating review. Based on the updates from its lenders and publicly available information, rating of the Company were reaffirmed and placed under Issuer did not Cooperate category on 31 March 2018.

Follow-up with the Company has not resulted in any receipt of information. As such, proper review of the rating is not possible. However, given the circumstances, non-cooperation from the client in providing relevant information/clarification is a likely indication of financial stress.



Thus, based on the above, rating of the Company have been reaffirmed and withdrawn simultaneously in line with the Withdrawal Policy of BWR (notices of withdrawal of the rating were also issued to the Company and its lenders on 05 April 2019 which remained unresponded). The above rating action may not reflect the present position of the Company's financial risk profile as information availability risk is a key factor in the assessment of credit risk.

**About the Company (As available in March 2017):**

Lakshmi Energy & Foods Ltd (LEFL) was established at Chandigarh in 1981. The Company is listed on NSE. The Company is engaged in procurement, processing, warehousing, packaging and distribution of various types of basmati rice in India & overseas. Its integrated rice manufacturing plant is spread over 100 acres of land at Chandigarh-Ludhiana National highway in the state of Punjab. It also has a 30 MW power plant, and has executed long term PPA with the Punjab Govt. (PSPCL) for sale of electricity.

**Rating History for the last three years**

S.No	Facility	Current Rating			Rating History		
		Type	Amount (₹ Crs)	Rating	31 Mar 2018	08 March 2017	02 Nov 2016
1	<b>Fund Based</b>	Long Term	1203.06	Reaffirmed at BWR D (BWR D) and simultaneously Withdrawal of the same	BWR D (BWR D) (Issuer did not Cooperate)	BWR D (BWR D) (Downgrade)	BWR BB - (BWR Double B Minus) (Stable)
	<b>Total</b>		<b>1203.06</b>	<b>INR Twelve Hundred &amp; Three Crores and Six Lakhs Only</b>			

Status of non-cooperation with previous CRA (if applicable)- N.A.

Any other information: Nil



**Key Financial Indicators**

Key Parameters	Units	2017	2018
Result Type		Audited	Audited
Operating Revenue	Rs. Crores	1021.44	610.11
EBITDA	Rs. Crores	128.28	-283.42
PAT	Rs. Crores	-1.11	-292.76
Tangible Net worth	Rs. Crores	303.73	598.59
Total Debt/Tangible Net worth	Times	3.88	2.00
ISCR	Times	5.13	-341.46

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)

For any other criteria obtain hyperlinks from website

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### **Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

### **About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

### **DISCLAIMER**

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