

Laxmi Goldorna House Limited

November 07, 2019

Ratings

Facilities	Amount(Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities	-	-	Reaffirmed and Withdrawn
Total	-		

Details of facilities in Annexure -1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has reaffirmed and withdrawn the outstanding rating of 'CARE BB; Stable' (Double B; Outlook: Stable) assigned to the bank facilities of Laxmi Goldorna House Limited (LGHL) with immediate effect. The above action has been taken at the request of LGHL and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE.

Analytical Approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Ahmedabad (Gujarat) based LGO is a part of 'Laxmi Group' incorporated by Shah Family in the year 2010 as a private limited company. During July 2017 the constitution of LGO has been changed to closely held limited company. LGO is engaged in the business of wholesale and retail trade of gold jewellery and gold and operates from its only showroom located at Manekchowk (Ahmedabad). Mr. Jayeshbhai Shah and Mrs. Rupalben Shah are the key promoter directors of the company.

Brief Financials (Rs. crore)	FY18(A)	FY19(Prov.)
Total operating income	69.77	73.45
PBILDT	1.60	2.79
PAT	0.44	0.67
Overall gearing (times)	0.74	0.72
Interest coverage (times)	1.61	1.51

A: Audited; Prov.: Provisional

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB; Stable (05-Dec-18)	1)CARE BB; Stable (12-Sep-17) 2)CARE BB; Stable (02-May-17)	1)CARE BB (25-Jul-16)

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Name - Mr. Shachee Vyas

Contact no.- (079) 40265665

Email ID- shachee.tripathi@careratings.com

Relationship Contact

Name: Mr. Vimlendu Mishra

Contact no. : (079) 40265640

Email ID: vimlendu.mishra@careratings.com

About CARE Ratings:

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Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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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