

Press Release

24 June, 2017

Lauls Limited

Rating Update



Total Bank Facilities Rated *	Rs. 67.00 Cr. #
Long Term Rating	SMERA BBB- Issuer not co-operating*
Short Term Rating	SMERA A3+ Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

SMERA has reviewed long-term rating of '**SMERA BBB-**' (read as **SMERA BBB minus**) and short term rating of '**SMERA A3+**' (read as '**SMERA A three plus**') on the Rs. 67.00 crore bank facilities of Lauls Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

The Faridabad-based, Lauls Limited, established in 1966 was promoted by Mr. Sudhir Gupta, Ms. Kanishk Sagar Gupta and Mr. Abhay Sagar Gupta. The company is the consignment agent for Tata Steel Limited and also a distributor of ferrous alloys. Besides, it is also engaged in the manufacture of steel components (fish plates, inserts among others) for Indian Railways.

For FY2014-15, Lauls Limited reported profit after tax (PAT) of Rs.10.18 crore on operating income of Rs.116.11 crore, as compared with PAT of Rs.3.54 crore on operating income of Rs.114.06 crore in the previous year. The net worth stood at Rs.37.16 crore as on 31 March, 2015 compared to Rs.20.97 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
23 March 2016	Cash Credit	Long Term	INR 9	SMERA BBB- / Stable
	Term Loan	Long Term	INR 52	SMERA BBB- / Stable
	Bank Guarantee	Short Term	INR 3	SMERA A3+
	Letter of Credit	Short Term	INR 3	SMERA A3+

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon	Maturity Date	Size of the Issue	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.00	SMERA BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA A3+ Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA A3+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	52.00	SMERA BBB- Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

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