

## Press Release

24 June, 2017

**Lauls Limited**

**Rating Update**



<b>Total Bank Facilities Rated *</b>	Rs. 67.00 Cr. #
<b>Long Term Rating</b>	SMERA BBB- Issuer not co-operating*
<b>Short Term Rating</b>	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 Issuanc	Coupo n	Maturity Date	Size of the Issue	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicabl e	Not Applicable	9.00	SMERA BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicabl e	Not Applicable	3.00	SMERA A3+ Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicabl e	Not Applicable	3.00	SMERA A3+ Issuer not co-operating*
Term loans	Not Applicable	Not Applicabl e	Not Applicable	52.00	SMERA BBB- Issuer not co-operating*

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

**Contacts:**

Analytical	Rating Desk
Vinayak Nayak, Head –Ratings Operations, SMERA Bond Ratings Tel: 022-67141190 Email: <a href="mailto:vinayak.nayak@smera.in">vinayak.nayak@smera.in</a>	Varsha Bist, Sr. Executive Tel: 022-67141160 Email: <a href="mailto:varsha.bist@smera.in">varsha.bist@smera.in</a>
Namita Palve Executive Analyst - Rating Operations Tel: 022-67141227 <a href="mailto:namita.palve@smera.in">namita.palve@smera.in</a>	

## ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details please visit [www.smera.in](http://www.smera.in).

***Disclaimer:*** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.