



LAXMI GOLDORNA HOUSE LIMITED

CIN : L36911GJ2010PLC059127

Date: 06-05-2025

To,
The Manager
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400051

Subject: Credit rating | Disclosure pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref. No.:- Symbol: LGHL, ISIN: INE258Y01016

Dear Sir/Madam,

With respect to above cited subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that CRISIL Ratings Limited (“CRISIL”) has assigned the rating of the company as specified below vide communication Email dated 06th May 2025.

Rating action

Total bank loan facilities rated	Rs 53 crore
Long-term rating	Crisil BB/stable (assigned)

Copy of detailed rating release is enclosed herewith for your reference.

Kindly take the same on records.

Thanking You,
For, Laxmi Goldorna House Limited

Mr. Jayeshkumar Chinulal Shah
Managing Director
DIN: 02479665

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Laxmi Goldorna House Ltd

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Long-term rating	Crisil BB/stable (assigned)

Note: None of the Directors on the board of Crisil Ratings Ltd are members of the rating committee and thus do not participate in the discussion or assignment of any ratings. The board also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to annexure for details of instruments and bank facilities

Detailed rationale

Crisil Ratings has assigned its '**Crisil BB/Stable**' rating to the long-term bank facility of Laxmi Goldorna House Ltd (LGOHL, a part of the Laxmi group).

The rating reflects the established market position of the company supported by the extensive experience of its promoters in the real estate industry, the comfortable financial risk profile and diversified business lines. These strengths are partially offset by susceptibility to saleability risks associated with the ongoing projects and exposure to cyclical inherent in the Indian real estate sector.

Analytical approach

Crisil Ratings has evaluated the standalone business and financial risk profiles of LGOHL.

Key rating drivers and detailed description

Strengths

Established market position supported by the extensive industry experience of the promoters: LGOHL is a part of the Ahmedabad-based Laxmi group, a prominent and trusted developer with a healthy track record of more than a decade in the real estate business and gold and jewellery segment. The company has a healthy track record of completing projects before time and the same will remain monitorable. It has also completed a few projects without any term loan owing to the promoters' backing.

Diversified business lines: The promoters have been in the real estate and gold businesses for more than a decade through different companies. After 2017, the company started undertaking both businesses under LGOHL. The real estate business accounted for around 80% of the revenue of the company in fiscal 2024 while the remaining 20% was contributed by the gold and jewellery segment.

Moderate financial risk profile: Saleability and operating profitability are comfortable in the ongoing projects. Furthermore, LGOHL's ability to accelerate the collections through healthy sales at the launch of any project reduces the dependence on external funding. Moderate collections duly supported the debt coverage indicators with total debt (Rs 101 crore) to total assets (Rs 270-280 crore) ratio of 36% on project cost basis. It is expected to remain comfortable around similar levels over the medium term. Timely customer advances will cushion the financial risk profile of the company.

Weaknesses

Exposure to risks associated with the ongoing projects: The company is executing two residential cum commercial projects, Laxmi 101 and Laxmi Courtyard with 487 residential apartments and 73 shops in Ahmedabad.

Laxmi 101 has two blocks of 14 floors each and Laxmi Courtyard has 5 blocks with nine floors each. Construction is in the initial phase with 18.5% and 19.95% completed till March 2025, respectively, and the rest expected to be completed by March 2028 and June 2029, respectively. Only around 11.74% of the total units in Laxmi Courtyard have been booked, leading to modest customer advances. In Laxmi 101 no units have been booked till March 2025. Thus, the operating performance will remain susceptible to timely completion of the projects and flow of customer advances.

Exposure to cyclicity inherent in the Indian real estate industry: The real estate sector in India is cyclical and affected by volatile prices, opaque transactions, and a highly fragmented market structure. Hence, the business risk profile will remain susceptible to risks arising from any industry slowdown.

Liquidity: Adequate

LGOHL has adequate liquidity for funding the construction of its ongoing projects through a mix of customer advances, own funds and bank loans. The customer advances for its ongoing projects have been modest. The cash flow from the ongoing projects is expected to sufficiently meet the term debt obligations. However, any unforeseen delay in project construction might result in cost overrun, thereby affecting debt repayment. Furthermore, any delay in receiving advances from customers is also expected to significantly impact the company's liquidity. The company has moderate unsold inventory of previous projects of around Rs 61 crore and advance receivables will also aid the liquidity risk profile of the company.

For the gold business, bank limit utilisation was around 90% for the 12 months ended March 2025.

Outlook: Stable

Crisil Ratings believes LGOHL will increase its scale of operations over the medium term supported by significant launch pipeline and healthy saleability in the ongoing projects, while maintaining a low leverage. It will also continue to benefit from the extensive industry experience of its promoters.

Rating sensitivity factors

Upward factors

- Early completion of ongoing projects and higher customer advances, resulting in substantial cash flow from operations
- Increase in bookings to over 50% with customer advances more than Rs 100 crore

Downward factors

- Significant delay in cash inflow with collection from customers below 20%
- Higher-than-expected increase in debt, with slower-than-expected collections or delay in execution
- Low cash flow from operations (because of subdued response to, or delay in completion of, ongoing projects) weakening the financial risk profile and liquidity

About the company

Incorporated as Laxmi Goldorna House Pvt Ltd on January 7, 2010, in Gujarat, the company was converted into a public limited with the current name on July 25, 2017.

The company is engaged in two business lines: gold trading and job work and real estate development. The company is currently constructing Laxmi 101 and Laxmi Courtyard in Ahmedabad. These projects comprise of 487 residential apartments and 73 shops.

Mr Jayesh Chinubhai Shah and Ms Rupalben Jayeshkumar Shah are the promoters of LGOHL and manage the operations as well.

Key financial indicators

As on/for the period ended March 31		2024	2023
Operating income	Rs crore	201.95	60.90
Reported profit after tax (PAT)	Rs crore	8.71	0.57
PAT margin	%	4.22	0.65
Adjusted debt/adjusted networkth	Times	1.16	1.00
Interest coverage	Times	4.09	1.32

Status of non cooperation with previous CRA: Not applicable

Any other information: Not applicable

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments

Annexure - Details of instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity levels	rating outstanding with outlook
NA	Cash credit	NA	NA	NA	10.00	NA	Crisil BB/Stable
NA	Proposed fund-based bank limits	NA	NA	NA	1.00	NA	Crisil BB/Stable
NA	Term loan	NA	NA	31-Jul-29	42.00	NA	Crisil BB/Stable

Annexure - Rating history for the last three years

		Current		2025 (History)		2024		2023		2022		Start of 2022
Instrument	Type	Outstanding amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund based facilities	LT	53.0	Crisil BB/Stable		--		--		--		--	--

All amounts are in Rs crore

Annexure – Details of bank lenders/facilities

Facility	Amount (Rs crore)	Name of lender	Rating
Cash credit	10	Punjab National Bank	Crisil BB/stable
Proposed fund-based bank limits	1	Not applicable	Crisil BB/stable
Term loan	42	State Bank of India	Crisil BB/stable

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