

Press Release

Mukti Gold Private Limited

July 25, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs.7.50 Cr.
Long Term Rating	ACUITE BB (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn long-term rating of '**ACUITE BB** (read as ACUITE double B)' on the Rs.7.50 crore of bank facilities of Mukti Gold Private Limited (MGPL). The rating withdrawal is in accordance with the Acuité's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

MGPL was established as a proprietorship concern in 2001 and converted into a private limited company in April 2012. MGPL is promoted by Mr. Dinesh Jain and Mr. Mahendra Jain. The company undertakes manufacturing and trading of gold and diamond-studded jewellery. MGPL does not have its own processing unit. The company outsources the processing activity to job workers in Mumbai.

Analytical Approach

Acuité has considered the standalone financial and business risk profiles of MGPL to arrive at the rating.

About the Rated Entity - Key Financials

	Unit	FY19 (Provisional)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	265.74	228.31	137.06
EBITDA	Rs. Cr.	7.17	7.18	4.14
PAT	Rs. Cr.	4.72	3.12	2.01
EBITDA Margin	(%)	2.70	3.15	3.02
PAT Margin	(%)	1.78	1.37	1.47
ROCE	(%)	15.42	19.58	20.15
Total Debt/Tangible Net Worth	Times	2.03	2.84	2.37
PBDIT/Interest	Times	3.09	2.97	3.84
Total Debt/PBDIT	Times	4.50	4.44	5.01
Gross Current Assets (Days)	Days	64	81	123

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

Not applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
06-Oct-18	Cash Credit	Long Term	5.00	ACUITE BB (Indicative)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB (Indicative)
09-Feb-17	Cash Credit	Long Term	5.00	ACUITE BB (Indicative)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB (Indicative)
28-Sep-2015	Cash Credit	Long Term	5.00	ACUITE BB/ Stable (Upgraded)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB/ Stable (Upgraded)
30-Jan-2015	Cash Credit	Long Term	5.00	ACUITE BB/ Stable (Assigned)
	Proposed Cash Credit	Long Term	2.50	ACUITE BB/ Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB (Withdrawn)
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE BB (Withdrawn)

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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