

Press Release

R K R Gold Private Limited

January 02, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 90.00 Cr.
Long Term Rating	ACUITE B+ (Withdrawn)
Short Term Rating	ACUITE A4 (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn long-term rating of '**ACUITE B+** (**read as ACUITE B plus**) and short term rating of **ACUITE A4** (**read as ACUITE A four**) on the Rs. 90.00 crore bank facilities of R K R GOLD PRIVATE LIMITED. 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The rating is being withdrawn on account of request received from the company and NOC received from the banker.

R K R Gold Private Limited (RGPL) established in 1986 is promoted by Mr. S V Sreenivasen and his family members. It is engaged in the manufacturing of gold and diamond jewellery. The company caters to clients in India and overseas (Middle East, Malaysia and Singapore) market. The manufacturing facilities are located at RS Puram and Coimbatore (Tamil Nadu). It is a part of R K R group.

R K R Group started in 1986 was engaged in gold manufacturing as well as bullion operations till 2013. Later, the bullion operations were hived off into a separate company under the name- R K R Gold Bullion Private Limited (RGBPL).

Analytical Approach

ACUITE has consolidated the financial and business risk profiles of R K R Gold Private Limited (RGPL) and R K R Gold Bullion Private Limited (RGBPL). Both the entities referred to as the R K R Group on account of the similarities in the lines of business, intercompany transactions and common management. Extent of Consolidation : Full.

About the Rated Entity - Key Financials

	Unit	FY18 (Provisional)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	796.52	1639.72	1212.52
EBITDA	Rs. Cr.	14.09	13.74	13.22
PAT	Rs. Cr.	2.53	-0.53	1.84
EBITDA Margin	(%)	1.77	0.84	1.09
PAT Margin	(%)	0.32	-0.03	0.15
ROCE	(%)	14.18	12.41	27.77
Total Debt/Tangible Net Worth	Times	2.73	2.61	2.47
PBDIT/Interest	Times	1.43	1.16	1.37
Total Debt/PBDIT	Times	5.07	5.50	4.92
Gross Current Assets (Days)	Days	39	20	29

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

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
26-Dec-2018	Bank Guarantee	Short Term	20.00	ACUITE A4 (Downgraded)
	Cash Credit	Long Term	65.00	ACUITE B+/Stable (Downgraded)
	Term Loans	Long Term	5.00	ACUITE B+/Stable (Downgraded)
02-Nov-2017	Bank Guarantee	Short Term	20.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	55.00	ACUITE BB-/Stable (Assigned)
	Term Loans	Long Term	15.00	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/Outlook
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE A4 (Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	65.00	ACUITE B+ (Withdrawn)
Term Loans	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ (Withdrawn)

Contacts

Analytical	Rating Desk
Srihari Adari Head - Corporate and Infrastructure Sector Ratings Tel: 040-40042327 srihari.adari@acuite.in Naveen Papisetty Analyst - Rating Operations Tel: 022-67141148 naveen.papisetty@acuiteratings.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research:

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