



## Press Release

### PONDICHERRY SRI LAKSHMI JEWELLERS

March 28, 2019

#### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 70.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB Issuer not co-operating*

# Refer Annexure for details

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

Acuité has reviewed long-term rating of „**ACUITE BB**“ (read as **ACUITE double B**) on the Rs. 70.00 crore bank facilities of PONDICHERRY SRI LAKSHMI JEWELLERS (PSLJ). This rating is now an indicative rating and is based on best available information.

PSLJ, part of the PSLJ group was a proprietorship concern established by Mr. Venkatesan Chettiar in 1936 and converted to a partnership firm by Mr. K. Nagarajan, Mr. N. Naveen Baalaji, Ms. N. Sukanya and Ms. Manjulla N. The firm is engaged in the retailing of gold jewellery in Tamil Nadu.

#### Analytical Approach

Acuité has considered the consolidated business and financial risk profile of Pondicherry Sri Lakshmi Jewellers (PSLJ), Lakshmi Silver (LS), Lakshmi Sovrn and Pondicherry Sri Lakshmi Jewellers Private Limited (PSLJPL). The consolidation is due to the common management, shared brand name, and financial synergies within the group. The operations in Lakshmi Sovrn were discontinued in April, 2017 and moved to PSLJ in FY2017-18. Extent of Consolidation: Full.

#### Non-cooperation by the issuer/borrower

Acuité 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 Acuité’s policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Consolidation Of Companies - <https://www.acuite.in/view-rating-criteria-22.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials (Consolidated)

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	322.03	511.59	377.11
EBITDA	Rs. Cr.	18.30	20.14	21.80
PAT	Rs. Cr.	4.47	3.47	4.83
EBITDA Margin	(%)	5.68	3.94	5.78
PAT Margin	(%)	1.39	0.68	1.28
ROCE (%)	(%)	9.51	8.65	9.03
Total Debt/Tangible Net Worth	Times	0.39	0.94	1.13
PBDIT/Interest	Times	1.42	1.28	1.39
Total Debt/PBDIT	Times	2.29	5.10	5.70
Gross Current Assets	Days	203	203	298

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

Not Applicable

### Any other information

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

### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
29-Jan-2018	Cash Credit	Long Term	^49.00	ACUITE BB / Stable
	Term Loans	Long Term	20.47	ACUITE BB / Stable
	Proposed Term Loans	Long Term	0.53	ACUITE BB / Stable

^Includes sublimit of bank guarantee/Standby Letter of credit of Rs. 29.00 crore

### #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	49.00*	ACUITE BB Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	20.47	ACUITE BB Issuer notco-operating*
Proposed Term Loans	Not Applicable	Not Applicable	Not Applicable	0.53	ACUITE BB Issuer notco-operating*

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

### Contacts

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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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