

## Press Release

PONDICHERRY SRI LAKSHMI JEWELLERS PRIVATE LIMITED

March 28, 2019

### Rating Update



<b>Total Bank Facilities Rated*</b>	Rs. 20.00 Cr. #
<b>Long Term Rating</b>	ACUITE BB Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A4+ Issuer not co-operating*

# Refer Annexure for details

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

Acuite has reviewed long-term rating of „**ACUITE BB**“ (read as **ACUITE double B**) and short term rating of '**ACUITE A4+**' (read as '**ACUITE A four plus**') on the Rs. 20.00 crore bank facilities of PONDICHERRY SRI LAKSHMI JEWELLERS PRIVATE LIMITED (PSLJPL). This rating is now an indicative rating and is based on best available information.

PSLJPL, part of the PSLJ group was incorporated in 2014. The Pondicherry-based company was promoted by Mr. K. Nagarajan, Mr. N. Naveen Baalaji, Ms. N. Sukanya and Ms. Manjulla N to commence operations in the retailing of jewellery – gold (22 carat gold), silver, diamonds, platinum in August, 2017.

### Analytical Approach

Acuite 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

Acuite 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 Acuite’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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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	2.00	ACUITE BB / Stable
	Proposed Cash Credit	Long Term	6.00	ACUITE BB / Stable
	Letter of Credit	Short Term	8.00	ACUITE A4+
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4+

### #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	2.00	ACUITE BB Issuer notco-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB Issuer notco-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Issuer notco-operating*
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4+ Issuer notco-operating*

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

## Contacts

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## About Acuité Ratings & Research:

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