

Press Release

Pondicherry Sri Lakshmi Jewellers Private Limited

August 25, 2021



Rating Update

Total Bank Facilities Rated*	Rs. 20.00 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE B+** (read as ACUITE B plus) from '**ACUITE BB-**' (read as ACUITE double B minus) and downgraded the short-term rating to '**ACUITE A4**' (read as ACUITE A four) from '**ACUITE A4+** (read as ACUITE A four plus)' on the Rs. 20.00 crore bank facilities of Pondicherry Sri Lakshmi Jewellers Private Limited (PSLJPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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. Manjula N to commence operations in the retailing of jewellery – gold (22 carat gold), silver, diamonds, platinum in August, 2017.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Consolidation of companies - <https://www.acuite.in/view-rating-criteria-60.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 endeavored 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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
18-Jun-2020	Cash Credit	Long Term	2.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
	Proposed Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
	Letter of Credit	Short Term	8.00	ACUITE A4+ Issuer not co-operating*
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4+ Issuer not co-operating*
28-Mar-2019	Cash Credit	Long Term	2.00	ACUITE BB Issuer not co-operating*
	Proposed Cash Credit	Long Term	6.00	ACUITE BB Issuer not co-operating*
	Letter of Credit	Short Term	8.00	ACUITE A4+ Issuer not co-operating*
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4+ Issuer not co-operating*
29-Jan-2018	Cash Credit	Long Term	2.00	ACUITE BB/Stable (Assigned)
	Proposed Cash Credit	Long Term	6.00	ACUITE BB/Stable (Assigned)
	Letter of Credit	Short Term	8.00	ACUITE A4+ (Assigned)
	Proposed Bank Guarantee	Short Term	4.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Karur Vysya Bank	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Karur Vysya Bank	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*
Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President – Corporate Ratings Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Bhavani Nagidi Rating Analyst - Rating Operations Tel: 040-40042327 nagidi.bhavani@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.