



Press Release

Musaddilal Jewellers Private Limited

April 22, 2024

Ratings:

(INR Crore)

Instrument / Facility	Amount	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	65.00	IVR D;/ ISSUER NOT COOPERATING (IVR Single D; ISSUER NOT COOPERATING*)	Rating reaffirmed and continued at ISSUER NOT COOPERATING Category*	Simple
Total	65.00 (Rupees Sixty-five Crores only)			

* Issuer did not cooperate; based on best available information.

Details of Facilities are in Annexure 1

Detailed Rationale:

Infomerics has reaffirmed the ratings and continued to classify the bank facilities of Musaddilal Jewellers Private Limited (MJPL) under issuer not co-operating category as it reflects lack of adequate information and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide e-mail communications dated April 09, 2024, April 11, 2024, April 15, 2024, and telephonic follow ups. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details/information for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to Rs. 65.00 crores of Musaddilal Jewellers Private Limited shall be rated as IVR D ISSUER NOT COOPERATING*.



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**Issuer Not Co-operating based on best available information.*

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria of assigning Rating Outlook](#)

[Policy on Default Recognition](#)

About the Company:

Musaddilal Jewellers Pvt. Ltd (MJPL) was incorporated in 1992, with a vision of establishing its presence in the retail jewellery segment. The company commenced operation by setting up one retail outlet at Basheer Bagh in Hyderabad. Subsequently, the company shifted operations to a larger store located at Punjagutta in Hyderabad in 2005, along with setting up another store in Vijayawada in 2009. The promoter group is engaged in this line of business for around twelve decades through various entities. The company is engaged in trading and manufacturing of designer gold, silver and diamond jewellery.

Financials: Standalone

For the year ended / As on	FY17	FY18
	Audited	Audited
Total Operating Income	235.32	154.20
EBITDA	6.92	6.33
PAT	2.10	1.67
Total Debt	57.80	55.99
Tangible Net worth (Book TNW)	40.74	43.54
<u>Ratios</u>		
EBITDA Margin	4.67	6.31
PAT Margin	0.89	1.08
Overall Gearing ratio	1.42	1.29

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable



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Rating History for last three years:

(Rs. Crore)

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding	Rating	Date(s) & Rating(s) assigned in 2022-23 (Mar 16, 2023)	Date(s) & Rating(s) assigned in 2021-22 (Dec 31, 2021)	Date(s) & Rating(s) assigned in 2020-21 (Nov 23, 2020)
1.	Cash Credit	Long Term	65.00	IVR D/ISSUER NOT COOPERATING*	IVR D/ISSUER NOT COOPERATING*	IVR D/ISSUER NOT COOPERATING*	IVR D/ISSUER NOT COOPERATING*

* Issuer did not cooperate (INC); based on best available information.

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which help corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com



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Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	--	--	Revolving	65.00	IVR D;/ ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information.

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at www.infomerics.com.