

May 04, 2017

Manoj Vaibhav Gems ‘N’ Jewellers Private Limited’s (erstwhile Vaibhav Empire Private Limited)

Instruments*	Amount Rated (Rs. crore)	Rating Action
Fund-based limits-Cash credit	262.50 (enhanced from 232.50)	[ICRA]BBB (Stable)/ Outstanding
Term Loan	4.88	[ICRA]BBB (Stable)/ Outstanding
Working Capital Term loan	15.00	[ICRA]A3+ /Outstanding
Long term Unallocated limits	51.54 (reduced from 81.54)	[ICRA]BBB (Stable)/ Outstanding

*Instrument details are provided in Annexure-1

Rating action

ICRA has outstanding long-term rating of [ICRA]BBB (pronounced ICRA triple B) to the Rs. 267.38 crore¹ fund-based limits (enhanced from Rs.237.38 crore) and Rs. 51.54-crore unallocated limits (reduced from Rs.81.54 crore) of Manoj Vaibhav Gems ‘N’ Jewellers Private Limited (“MVGJPL”, erstwhile Vaibhav Empire Private Limited / “the company”)†. ICRA has also an outstanding rating of [ICRA]A3+ (pronounced ICRA A three plus) ratings to the Rs. 15.00-crore working capital term loan of the company. The outlook on the long-term rating is Stable.

Rationale

The credit concerns and strengths pertaining to MVGPL remain the same as highlighted in ICRA’s earlier rationale issued in November 2016, available at the following link:

<http://www.icra.in/Files/Reports/Rationale/Manoj%20Vaibhav%20-R-16112016.pdf>

Links to applicable criteria:

Corporate Credit Ratings: A Note on Methodology

ICRA Rating methodology: Retail Jewellery

About the company:

Manoj Vaibhav Gems ‘N’ Jewellers Private Limited (MVGJPL/the company), erstwhile Vaibhav Empire Private Limited, was instituted as ‘Hotel Anant Private Limited’ (HAPL) on March 13, 1989. HAPL was acquired by Mr. Manoj Kumar Grandhi and family in 2003, and was renamed as Vaibhav Empire Private Limited. The company is currently involved in the business of gold jewellery retailing along with the trading of bullion. It has six stores, totalling a retail area of 45,056 sqft, across Andhra Pradesh.

Status of non-cooperation with previous CRA: Not applicable.

¹ 100 lakh = 1 crore = 10 million

† For complete rating scale and definitions please refer to ICRA's website www.icra.in or other ICRA Rating Publications

Any other information: Not applicable.

Rating history for last three years:

Table: Rating History

S. N o.	Name of Instrument	Current Rating			Chronology of Rating History for the past 3 years		
		Type	Rated amount (Rs. Crores)	Month - year & rating	Month - year & Rating in FY2017	Month - year & Rating in FY2016	Month - year & Rating in FY2014
1	Fund based	Long term	262.50	May 2017	November 2016	May 2015	March,2014
				[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
2	Term Loan	Long term	4.88	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
3	Working Capital Term loan	Short-term	15.00	[ICRA]A3+	[ICRA]A3+	-	-
4	Long term unallocated	Long term	51.54	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1
Details of Instruments

Name of the instrument	Date of issuance	Coupon rate	Maturity Date	Size of the issue (Rs. Crore)	Current Rating and Outlook
Fund based - cash credit	-	-	-	262.50	[ICRA]BBB (Stable)
Term Loan	September, 2014	12.90% p.a.	June, 2019	4.88	[ICRA]BBB (Stable)
Working Capital Term Loan	June, 2016	10.50% p.a.	25 th November, 2016	15.00*	[ICRA]A3+
Long term-unallocated	-	-	-	51.54	[ICRA]BBB (Stable)

Source: MVGJPL

* The working capital term loan has been repaid during November, 2016. ICRA is awaiting receipt of NOC issued by the bank from the client to withdraw the rating.

Name and Contact Details of the Rating Analyst(s):**Analyst Contacts****Mr. K. Ravichandran**

+91 44 4596 4301

ravichandran@icraindia.com**Mr. Shubham Jain**

+91 124 4545306

shubhamj@icraindia.com**Mr. Rajeshwar Burla**

+91 40 4067 6527

rajeshwar.burla@icraindia.com**Mr. Abhiram Varal**

+91 40 4067 6523

abhiram.varal@icraindia.com**Name and Contact Details of Relationship Contacts:****Mr. Jayanta Chatterjee**

+91 80 43324601

janantac@icraindia.com**About ICRA Limited:**

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

© Copyright, 2017, ICRA Limited. All Rights Reserved

Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001
Tel: +91-11-23357940-50, Fax: +91-11-23357014

Corporate Office**Mr. Vivek Mathur**

Mobile: +91 9871221122

Email: vivek@icraindia.com

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

Mumbai**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

3rd Floor, Electric Mansion
Appasaheb Marathe Marg, Prabhadevi
Mumbai—400025,
Board : +91-22-61796300; Fax: +91-22-24331390

Kolkata**Mr. Jayanta Roy**

Mobile: +91 9903394664

Email: jayanta@icraindia.com

A-10 & 11, 3rd Floor, FMC Fortuna
234/3A, A.J.C. Bose Road
Kolkata—700020
Tel +91-33-22876617/8839 22800008/22831411,
Fax +91-33-22870728

Chennai**Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

5th Floor, Karumuttu Centre
634 Anna Salai, Nandanam
Chennai—600035
Tel: +91-44-45964300; Fax: +91-44 24343663

Bangalore**Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

'The Millenia'
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,
Murphy Road, Bangalore 560 008
Tel: +91-80-43326400; Fax: +91-80-43326409

Ahmedabad**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

907 & 908 Sakar -II, Ellisbridge,
Ahmedabad- 380006
Tel: +91-79-26585049, 26585494, 26584924; Fax:
+91-79-25569231

Pune**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range
Hills Road, Shivajinagar, Pune-411 020
Tel: + 91-20-25561194-25560196; Fax: +91-20-
25561231

Hyderabad**Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

4th Floor, Shobhan, 6-3-927/A&B. Somajiguda, Raj
Bhavan Road, Hyderabad—500083
Tel:- +91-40-40676500