

July 26, 2023

Lypsa Gems and Jewellery Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term / Short Term-Fund Based/Non Fund Based-Others	50.00	50.00	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	50.00	50.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-Term rating of Lypsa Gems and Jewellery Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on default recognition Rating Methodology – Gems & Jewellery (Cut & Polished Diamonds)
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated on November 30, 1995, Maloo Polymers Limited, a public limited company, was listed on Ahmedabad Stock Exchange in the year 1997. In the year 2008-09, it was taken over by Mr. Dipan Patwa and Mr. Manish Janani. Subsequently the name of the company was also changed to Maloo Gems and Jewellery Ltd. on January 12, 2010. The name of the company was further changed to Lypsa Gems & Jewellery Limited (LGJL) on March 07, 2012. LGJL was listed on the Bombay Stock Exchange (BSE) on July 02, 2012. At present, LGJL is in the business of manufacturing and trading of polished diamonds and has two manufacturing facilities at Navsari and Palanpur respectively. The company specialises in manufacturing of small sized diamonds ranging from 0.005 to 0.75 cents. The company exports to various countries including Hong Kong, USA, UAE, and Belgium.

Key financial indicators:

Standalone	FY2021	FY2022
Operating Income (Rs. crore)	14.02	13.19
PAT (Rs. crore)	0.07	0.03
OPBDIT/OI (%)	2.2%	2.3%
PAT/OI (%)	0.5%	0.2%
Total Outside Liabilities/Tangible Net Worth (times)	1.70	1.36
Total Debt/OPBDIT (times)	124.44	119.4
Interest Coverage (times)	-	-

Source: Company

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2020	
					July 26, 2023				
					June 28, 2022	April 27, 2021	January 31, 2020		
1	Fund Based/Non Fund Based- Others	Long Term/Short Term	50.00	-	[ICRA]D/[ICRA]D ; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term/Short Term – Fund Based/Non-Fund Based-Others	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](https://www.icra.in)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based/Non Fund Based-Others	-	-	-	50.00	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING

Source: Lypsa Gems and Jewellery Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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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

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