August 17, 2017

Pytex Jewellers Private Limited

Summary of rated instruments

Instrument^	Rated Amount (in crore)	Rating Action
Long-term fund-based – Cash Credit	10.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*; Rating moved to the 'Issuer not Cooperating' category Assigned
Total	**10.00**	

***Issuer did not co-operate; based on best available information.**
^Instrument Details captured under Annexure-1

Rating action
ICRA has moved the rating for the Rs. 10.00 crore bank facilities of Pytex Jewellers Private Limited (PJPL) to the 'Issuer Not Cooperating' category. The rating is now denoted as: "[ICRA] B+ (Stable); ISSUER NOT COOPERATING"

Rationale
The rating is based on limited or no updated information on the entity's performance since the time it was last rated in January, 2016. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action. As part of its process and in accordance with its rating agreement with PJPL, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information, and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

Analytical approach:
For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:
Corporate Credit Rating Methodology
Policy in respect of non-cooperation by the rated entity

Key rating drivers

Credit strengths

- **Promoter's long standing experience -** The promoters have an experience and operational track record of more than a decade in this industry.

Credit weaknesses

- **High Working capital intensity-** Company's working capital intensity remain high owing to elongated inventory holding period given the inherent slow movement of their higher value added product line and stores where higher assortment of jewellery needs to be maintained at all times

- **Weak return indicators –** PJPL's return indicators are weak owing to thin margins, moderate scale of operations with high capital employed on account of elevated working capital intensity

About the company:

Pytex Jewellers Private Limited was established in 2006 as a private limited company by Mr. Pradeep Tayal and family. The company is engaged in the manufacturing and trading of gold, silver, diamonds and precious stones. Pytex Jewellers is situated at Netaji Subhah Place, New Delhi, with a shop area close to 600 sq yards. Mr. Ankur Tayal assists Mr. Pradeep Tayal in business.

Particulars	**Unit**	**FY2014**	**FY2015**
Operating income (OI)	Rs crore	39.04	56.40
Profit after tax (PAT)	Rs crore	0.32	0.35
OPBDITA/ OI	%	5.58%	4.63%
ROCE	%	14.84%	15.33%
Total Debt/Tangible net worth	Times	6.40	5.17
Total Debt/OPBDITA	Times	6.76	4.88
Interest coverage	Times	1.26	1.23
NWC/ OI	%	42%	26%

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years:

Table:

S. No.	**Instrument**	**Current Rating (FY2018)**			**Chronology of Rating History for the past 3 years**		
		Type	**Amount Rated (Rs. Crore)**	**Date & Rating**	**Date & Rating in FY2017**	**Date & Rating in FY2016**	**Date & Rating in FY2015**
				August 2017	**-**	**February 2016**	**-**
1	Fund based-Cash credit	Long-term	10.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*	-	[ICRA]B+	-

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

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
Instrument Details

Instrument	**Date of Issuance / Sanction**	**Coupon Rate**	**Maturity Date**	**Amount Rated (Rs. crore)**	**Current Rating and Outlook**
Cash Credit	NA	NA	NA	10.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING*

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

Contact Details

Analyst Contacts

Sabyasachi Majumdar
+0124-4545 304
sabyasachi@icraindia.com

Amit Arora
+0124-4545 318
amita@icraindia.com

Manish Ballabh
+0124-4545 812
manish.ballabh@icraindia.com

Shubham Goyal
+0124- 4545 386
shubham.goyal@icraindia.com

Relationship Contact

Jayanta Chatterjee
+91 80 4332 6401
jayantac@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**

ICRA

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	