

January 22, 2020

Goverdhan Verma Punjab Jewellers Private Limited: Continues to remain under Non-Cooperating category

Summary of rating action:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	6.20	6.20	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Continues to remain under the 'Issuer Not Cooperating' category
Total	6.20	6.20	

*Issuer did not cooperate; based on best available information

Rationale

The ratings for the Rs.6.20 crore bank facilities of Goverdhan Verma Punjab Jewellers Private Limited continue to remain under Issuer Not Cooperating category. The long-term rating is denoted as [ICRA]B+ (Stable) ISSUER NOT COOPERATING (pronounced ICRA B Plus Issuer not cooperating) with a Stable outlook.

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. The current rating action has been taken by ICRA basis dated 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.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company

GVPJ was incorporated in 1992 by Mr. Sanjay Verma and is engaged in the retailing of gold and diamond jewellery and other similar items. The company has its showroom at Karol Bagh in Delhi.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financials (audited)

	FY2017	FY2018	FY2019
Operating Income (Rs. crore)	33.19	24.12	27.91
PAT (Rs. crore)	0.51	0.15	0.14
OPBDIT/OI (%)	3.98%	4.19%	3.94%
RoCE (%)	37.39%	10.59%	9.33%
Total Outside Liabilities/Tangible Net Worth (times)	4.41	4.98	4.99
Total Debt/OPBDIT (times)	3.30	8.55	8.49
Interest Coverage (times)	2.36	1.33	1.24
DSCR	2.05	1.33	1.28

*Source: ACE Equity

Rating history for past three years

S. No	Name of Instrument	Type	Current Rating (FY2020)			Chronology of Rating History for the Past 3 years		
			Rated amount (Rs. crore)	Amount outstanding	Month-year & Rating	Month- year and Rating in		
						FY2019	FY2018	FY2017
					January 22, 2020	October 25, 2018	July 20, 2017	-
1	Fund Based Limits	Long Term	6.20	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable) ISSUER NOT COOPERATING	-

All figures in Rs. crore

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