

Zeal Metaliks Private Limited

May 21, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	18.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable;

Details of instruments/facilities in Annexure-1

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated March 02, 2023, placed the rating(s) of Zeal Metaliks Private Limited (ZMPL) under the 'issuer non-cooperating' category as ZMPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. ZMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 16, 2024, January 26, 2024, February 05, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of ZMPL have been revised on account of non-availability of requisite information. The revision also factored in decline in overall profitability during FY23.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [March 02, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the company

Zeal Metaliks Private Limited (formerly known as Right Choice Products Private Limited) was incorporated by Raipur based Agarwal family to trade in mineral products (such as iron ore and coal). Since November 2012, ZMPL has been associated with "Tanishq" (Jewellery Division of TITAN Company Limited) and had set up its first retail outlet at Bilaspur in Chhattisgarh under franchisee of Tanishq. Further in March 2016, ZMPL added a new store in Nasik and in March 2018 in Korba, Chhattisgarh. Currently, ZMPL is engaged in the retailing of gold, solitaire, pearls, gems, rough and polished diamonds, precious and semiprecious stones including ornaments containing diamonds and all precious and semiprecious stones through these three stores

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	105.80	106.81
PBILDT	6.56	5.65
PAT	3.57	2.68
Overall gearing (times)	0.83	0.70
Interest coverage (times)	4.06	3.12

A: Audited, Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of ZMPL into ISSUER NOT COOPERATING category vide press release dated October 17, 2023 on account of its inability to carry out a review in the absence of requisite information from company.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	18.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	18.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (02-Mar-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (28-Dec-21)

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

LT: Long term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

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