



Rating Rationale

Gold Mine Global Medicare Pvt Ltd

7 Jun 2018

Brickwork Ratings assigns the ratings for the Bank Loan Facilities of ₹. 9.95 Crores of Gold Mine Global Medicare Pvt Ltd.

Particulars

Facility	Amount (₹ Crs)	Tenure	Rating*
Fund based	9.95	Long Term	BWR B+ (Pronounced as BWR single B Plus) Outlook: Stable
Total	9.95	INR Nine Crores Ninety Five Lakhs Only	

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon Gold Mine Global Medicare Pvt Ltd's (GMGMPL or "the company") audited financial results upto FY17 and publicly available information and the information/clarifications provided by the company.

The rating draws strength from an group support, experienced management and moderate net profit margin of the company. However, the rating is constrained by weak financial health of the company, reflected by weak debt protection metrics and low tangible net worth.

Going forward, the ability of the company to increase the turnover levels, profitability, scale of operations, the financial risk profile and managing its working capital efficiently will be the key rating sensitivities.

Description of Key Rating Drivers

- **Credit Strengths:**

Group Support: The company has a group support from eight other sister concern in the Group of Companies, most of them involved in the business relating to medical industry

Experienced Management: The directors are involved in managing the whole group majority of which have vast experience in the medical industry

Net Profit Margin: The Net Profit Margin is moderate at 2.42% in FY17

- **Credit Risks:**

Weak Debt Protection Metrics: The company reflects a weak financial profile with a high gearing of

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5.29 times and ISCR which are very low at 1.06 times in FY17

Total Operating Income(TOI): The TOI is moderately low at ₹ 11.75 crores in FY17

Low Tangible Net Worth: The TNW stands low at ₹7.60 crores in FY17 in comparison to their outside borrowings.

Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Rating Outlook: Stable

BWR believes the **Gold Mine Global Medicare Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Goldmine Global Medicare Pvt Ltd (GMGMPL or “the company”) was established as a private limited company in the year 2012. However, the operations commenced only in 2015. The company is engaged in Trading mainly medical Products. The company buys its product from various suppliers and further sells to retailers or wholesalers/agents in bulk. Presently, the company has two directors.

Company Financial Performance

The company reported a total operating income of ₹ 11.75 Crs in FY17 and ₹ 0.19 Crs in FY16. Net profit margin was at 2.42% in FY17 and 0.48% in FY16. Tangible Networth stood at ₹ 7.60 Crs as on 31st March 2017 and ₹ 5.43 Crs. on 31st March, 2016.

Company has informed their total operating income for FY18 approximately ₹ 18.57 crores.

Rating History for the last three years

S.No	Instrument/Facility	Current Rating (2018)			Rating History		
		Type (Long Term/ Short Term)	Amount (₹ Crs)	Rating	2017	2016	2015
	Fund Based	Long Term	9.95	BWR B+ (Pronounced as BWR single B Plus) Outlook: Stable	NA	NA	NA
	Total		9.95	₹ Nine Crores Ninety Five Lakhs Only			



Status of non-cooperation with previous CRA (if applicable)-Reason and comments

Any other information

Key Financial Indicators

Key Parameters	Units	2017	2016
Result Type		Audited	Audited
Operating Revenue	₹ Cr	11.75	0.19
EBITDA	₹ Cr	4.85	0.10
PAT	₹ Cr	0.28	0.00
Tangible Net worth	₹ Cr	7.60	5.43
Total Debt/Tangible Net worth	Times	5.29	0.78
Current Ratio	Times	4.89	0.57

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Trading Entities](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

Analytical Contacts	Media
<i>AP Kamath</i> <i>GM-Ratings</i>	media@brickworkratings.com
analyst@brickworkratings.com	Relationship Contact
	bd@brickworkratings.com
Phone: 1-860-425-2742	

For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

DISCLAIMER

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