

Press Release

Sovereign Diamonds Limited

June 23, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	21.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	21.00	-	-

Rating Rationale

Acuite has withdrawn the long-term rating '**ACUITE B+**' (read as ACUITE B plus) on the Rs. 21.00 crore bank facilities of Sovereign Diamond Limited (SDL). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. The rating is continuously flagged as Issuer not cooperating. The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

SDL, incorporated in 1974, is a Mumbai-based company promoted by Mr. Ajay Gehani and Mr. Ramesh Gehani. The company undertakes manufacturing of diamond-studded gold jewellery at Andheri (Mumbai).

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

Acuite Ratings & Research Limited

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The rated entity has not shared the latest financial statements despite repeated requests

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Apr 2021	Cash Credit	Long Term	14.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Packing Credit	Long Term	0.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.65	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	3.35	ACUITE B+ (Downgraded and Issuer not co-operating*)
13 Jan 2020	Cash Credit	Long Term	14.50	ACUITE BB- (Issuer not co-operating*)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.65	ACUITE BB- (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	3.35	ACUITE BB- (Issuer not co-operating*)

30 Oct 2018	Proposed Cash Credit	Long Term	3.35	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Proposed Bank Facility	Long Term	2.65	ACUITE BB- Stable (Assigned)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Cash Credit	Long Term	14.50	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.15	ACUITE BB- Stable (Withdrawn)
	Packing Credit	Long Term	2.00	ACUITE BB- Stable (Withdrawn)
09 Aug 2017	Cash Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Packing Credit	Long Term	2.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	0.15	ACUITE BB Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	3.35	ACUITE BB Stable (Reaffirmed)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB Stable (Reaffirmed)
13 May 2016	Cash Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Packing Credit	Long Term	2.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	0.15	ACUITE BB Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	3.35	ACUITE BB Stable (Reaffirmed)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB Stable (Reaffirmed)
20 Mar 2015	Cash Credit	Long Term	15.00	ACUITE BB Stable (Assigned)
	Packing Credit	Long Term	2.00	ACUITE BB Stable (Assigned)
	Term Loan	Long		
	Term Loan	Term	0.15	ACUITE BB Stable (Assigned)
	Proposed Cash Credit	Long Term	3.35	ACUITE BB Stable (Assigned)
	Proposed Packing Credit	Long Term	0.50	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	14.50	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.35	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.65	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Packing Credit	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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