

July 23, 2015

Facilities	Amount (Rs. Crore)	Rating
Export Packing Credit/Post Shipment Credit	8.00	SMERA A3 (Assigned)

SMERA has assigned a short-term rating of '**SMERA A3**' (**read as SMERA A three**) to the Rs.8.00 crore bank facilities of Gold Star Centoquattro Jewellery Private Limited (GSCJPL).

The rating derives comfort from the company's experienced management and moderate financial risk profile. However the rating is constrained by the company's small-scale operations coupled with customer concentration risk. The rating is also constrained by the company's working capital-intensive operations. The rating notes that the company's business is exposed to foreign exchange fluctuation risk.

About the Group

Incorporated in 2008, GSCJPL is a joint venture between Shah Family (promoters of the Gold Star Group), and Gypsophilis Limited (Italian jewellery manufacturing company). The ratio of the joint venture is 67:33. GSCJPL manufactures plain gold and diamond-studded jewellery. The company is a 100% Export Oriented Unit (EOU) catering to customers in European markets like UK (Great Britain), Italy, France, Germany and Spain.

For FY2014-15 (provisional), GSCJPL reported profit before tax (PBT) of Rs.3.04 crore on operating income of Rs.74.03 crore, as compared with profit after tax (PAT) of Rs.1.59 crore on operating income of Rs.60.73 crore in the previous year. The company's net worth stood at Rs.10.58 crore (provisional) as on March 31, 2015, as compared with Rs.7.53 crore a year earlier.

Contact List:

Media/Business Development	Analytical Contacts	Rating Desk
Antony Jose Vice President – Business Development, Mid Corporate Tel: +91-22-6714 1191 Cell: +91 98208 02479 Email: antony.jose@smera.in	Vinay Chhawchharia Associate Vice President – Corporate Ratings Tel: +91-22-6714 1156 Email: vinay.chhawchharia@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.