

Press Release

Shilpi Jewellers Private Limited (SJPL)

10 January, 2018



Rating Update

Total Bank Facilities Rated*	Rs.70.00 Cr
Long Term Rating (Indicative)	SMERA BBB- Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A3 Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long term rating of '**SMERA BBB-**' (read as SMERA triple B minus) and short term rating of **SMERA A3** (read as SMERA A three) on the above bank facilities of Shilpi Jewellers Private Limited (SJPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>

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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

SMERA Ratings Limited

The Mumbai-based SJPL, a proprietorship firm (Shilpi Jewellers) established in 1988 was converted to a private limited company in 2008. The company, a manufacturer and wholesaler of gold, silver and diamond jewellery, caters to retailers across India. It recently set up a processing unit in Ghatkopar, Mumbai. The day-to-day operations are managed by Mr. Padam Soni and his two nephews, Mr. Pramod Mehta and Mr. Rajneesh Mehta.

As per provisional FY2016-17, SJPL reported profit after tax (PAT) of Rs.3.55 crore on operating income of Rs.715.06 crore, as compared with PAT of Rs.1.92 crore on operating income of Rs.562.86 crore in the previous year.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
06-October-2016	Cash Credit	Long term	50.00	SMERA BBB-/Stable (Reaffirmed)
	Term Loan	Long term	6.60	SMERA BBB-/Stable (Reaffirmed)
	Cash Credit	Long term	2.00	SMERA BBB-/Stable (Reaffirmed)
	Bank Guarantee/Standby Letter of Credit	Short term	7.00	SMERA A3 (Reaffirmed)
	Proposed Cash Credit	Long term	4.40	SMERA BBB-/Stable (Reaffirmed)
31-August-2015	Cash Credit	Long term	42.00	SMERA BBB-/Stable (Assigned)
	Term Loan	Long term	8.80	SMERA BBB-/Stable (Assigned)
	Bank Guarantee/Standby Letter of Credit	Short term	2.00	SMERA A3 (Assigned)

	Proposed Cash Credit	Long term	17.20	SMERA BBB-/Stable (Assigned)
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Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit I	NA	NA	NA	50.00	SMERA BBB- (Indicative)
Term Loan	NA	NA	NA	6.60	SMERA BBB- (Indicative)
Cash Credit II	NA	NA	NA	2.00	SMERA BBB- (Indicative)
Bank Guarantee/ Standby Letter of Credit	NA	NA	NA	7.00	SMERA A3 (Indicative)
Proposed Cash Credit	NA	NA	NA	4.40	SMERA BBB- (Indicative)

**The issuer did not co-operate; Based on best available information.*

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smerra.in.

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