

Press Release

Shri Raj Jewels

October 20, 2021



Rating Update

Total Bank Facilities Rated*	Rs.56.56 Cr.#
Long Term Rating	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.56.56 Cr bank facilities of Shri Raj Jewels (SRJ). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Shri Raj Jewels is a Mumbai-based partnership firm, established in 2012 by Mr. Bharat Jain, Mr. Arvind Ranawat, Mr. Nikhil Ranawat and Mr. Praful Ranawat. SRJ was established after taking over SRR Jewels, which was operational from 2004. The firm is a 100 per cent export oriented unit (EOU) that manufactures and exports gold and diamond-studded jewellery at Andheri, Mumbai.

Non-cooperation by the issuer/borrower:

Acuité 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities In Services Sector- <https://www.acuite.in/view-rating-criteria-50.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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

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

Rating Sensitivity

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

About the Rated Entity - Key Financials

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

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

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
17th Jul 20	Packing credit @	Long Term	10.80	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
	Packing credit (standby limit 20%) @	Long Term	2.16	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating *
	Post shipment @	Long Term	12.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	PSC (Standby limit 20%)	Long Term	2.40	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	WC Pre-shipment credit (EPC)**	Long Term	4.60	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	WC Post-shipment credit (EPC)**	Long Term	15.40	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	SLC Limit**	Long Term	3.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	Export packing credit/PCFC/Gold Loan # (1)	Long Term	5.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
	FPB/PSCFC/FCBD/ODFOBC* # (2)	Long Term	5.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating
25th Apr 19	Packing credit @	Long Term	10.80	ACUITE BB+ Issuer not co-operating*
	Packing credit (standby limit 20%) @	Long Term	2.16	ACUITE BB+ Issuer not co-operating*
	Post shipment @	Long Term	12.00	ACUITE BB+ Issuer not co-operating*
	PSC (Standby limit 20%)	Long Term	2.40	ACUITE BB+ Issuer not co-operating*
	WC Pre-shipment credit (EPC)**	Long Term	4.60	ACUITE BB+ Issuer not co-operating*
	WC Post-shipment credit (EPC)**	Long Term	15.40	ACUITE BB+ Issuer not co-operating*
	SLC Limit**	Long Term	3.00	ACUITE BB+ Issuer not co-operating*
	Export packing credit/PCFC/Gold Loan # (1)	Long Term	5.00	ACUITE BB+ Issuer not co-operating*
	FPB/PSCFC/FCBD/ODFOBC* # (2)	Long Term	5.00	ACUITE BB+ Issuer not co-operating*
15th Feb 18	Packing credit @	Long Term	10.80	ACUITE BB+

				Issuer not co-operating*
	Packing credit (standby limit 20%) @	Long Term	2.16	ACUITE BB+ Issuer not co-operating*
	Post shipment @	Long Term	12.00	ACUITE BB+ Issuer not co-operating*
	PSC (Standby limit 20%)	Long Term	2.40	ACUITE BB+ Issuer not co-operating*
	WC Pre-shipment credit (EPC)**	Long Term	4.60	ACUITE BB+ Issuer not co-operating*
	WC Post-shipment credit (EPC)**	Long Term	15.40	ACUITE BB+ Issuer not co-operating*
	SLC Limit**	Long Term	3.00	ACUITE BB+ Issuer not co-operating*
	Export packing credit/PCFC/Gold Loan # (1	Long Term	5.00	ACUITE BB+ Issuer not co-operating*
	FPB/PSCFC/FCBD/ODFOBC* # (2)	Long Term	5.00	ACUITE BB+ Issuer not co-operating*

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

@One way 50 per cent interchangeability of limits from PC to PSC, Advance against direct bills upto 100 per cent of post shipment limits and 20 per cent inbuilt adhoc to meet urgent credit needs for execution of export orders.

**100% interchangeability from pre-shipment to post-shipment and 50% from post shipment to pre-shipment and Finance against direct bills sublimit to the extent of 70% of sanctioned PSC limit

Maximum (1+2) = Rs.6.20 crore

* Sublimit of Direct export bills of Rs.3.75 crore, Sublimit of Bills on Associates of Rs.3.75 crore and Sublimit of Drawee wise Bills of Rs.2.50 crore.

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Punjab National Bank	Packing credit @	Not Applicable	Not Applicable	Not Applicable	10.80	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Punjab National Bank	Packing credit (standby limit 20%) @	Not Applicable	Not Applicable	Not Applicable	2.16	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Punjab National Bank	Post shipment @	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Punjab National Bank	PSC (Standby limit 20%)	Not Applicable	Not Applicable	Not Applicable	2.40	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
State Bank of India	WC Pre-shipment credit (EPC)**	Not Applicable	Not Applicable	Not Applicable	4.60	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
State Bank of India	WC Post-shipment credit (EPC)**	Not Applicable	Not Applicable	Not Applicable	15.40	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
State Bank of India	SLC Limit**	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

State Bank of India	Export packing credit/PCFC/Gold Loan # (1)	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*
Bank of India	FPB/PSCFC/FCBD / ODFOBC* # (2)	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- (Downgraded from ACUITE BB) Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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