

Press Release

Shri Raj Jewels

January 05, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	60.36	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	60.36	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

@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.

Acuite has reaffirmed the long-term rating of '**ACUITE BB-' (read as ACUITE double B minus)**' on the Rs.60.36 Cr bank facilities of Shri Raj Jewels (SRJ). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

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:

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.

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

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

Limitation regarding information availability:

Acuite Ratings & Research Limited

www.acuite.in

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.

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

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 16 (Actual)	FY 15 (Actual)
Operating Income	Rs. Cr.	170.17	134.10
PAT	Rs. Cr.	9.69	8.92
PAT Margin	(%)	5.70	6.65
Total Debt/Tangible Net Worth	Times	1.52	2.17
PBDIT/Interest	Times	4.60	4.46

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general

understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Oct 2021	Packing Credit	Long Term	2.16	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bills Discounting	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	4.60	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	2.40	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Long Term	3.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	15.40	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Post Shipment Credit	Long Term	12.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	10.80	ACUITE BB- (Downgraded and Issuer not co-operating*)
17 Jul 2020	Post Shipment Credit	Long Term	12.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	15.40	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	10.80	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	2.40	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	4.60	ACUITE BB (Downgraded and Issuer not co-operating*)
	Standby Line of Credit	Long Term	3.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bills Discounting	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Packing Credit	Long Term	2.16	ACUITE BB (Downgraded and Issuer not co-operating*)
25 Apr 2019	Packing Credit	Long Term	10.80	ACUITE BB+ (Issuer not co-operating*)
	Standby Line of Credit	Long Term	3.00	ACUITE BB+ (Issuer not co-operating*)
	Packing Credit	Long Term	15.40	ACUITE BB+ (Issuer not co-operating*)
	Packing Credit	Long Term	2.16	ACUITE BB+ (Issuer not co-operating*)
	Packing Credit	Long Term	2.40	ACUITE BB+ (Issuer not co-operating*)
	Post Shipment Credit	Long Term	12.00	ACUITE BB+ (Issuer not co-operating*)

	Bills Discounting	Long Term	5.00	ACUITE BB+ (Issuer not co-operating*)
	Packing Credit	Long Term	5.00	ACUITE BB+ (Issuer not co-operating*)
		Long		
	Packing Credit	Term	4.60	ACUITE BB+ (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE BB- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	10.80	ACUITE BB- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	2.16	ACUITE BB- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	2.40	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	4.60	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	15.40	ACUITE BB- Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE BB- Reaffirmed Issuer not co-

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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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