

Press Release

Bhagya Laxmi Gems and Jewellers Private Limited

March 25, 2020

Rating Update



Total Bank Facilities Rated	Rs. 20.00 Cr. #
Long Term Rating	ACUITE B (Downgraded from ACUITE B+/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded the long term rating to '**ACUITE B**' (read as **ACUITE B**) from '**ACUITE B+**' (read as **ACUITE B plus**) and reviewed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 20.00 crore bank facilities of Bhagya Laxmi Gems and Jewellers Private Limited (BLGJ). This rating is now an indicative rating and is based on best available information.

BLGJ, was established as a proprietorship concern and in the year 2010 it converted into private limited. It is a Hyderabad based company engaged into manufacturing and wholesale trading of gold jewellery. Bhagyalaxmi has gold jewellery showrooms in Hyderabad, Mumbai, and Chennai.

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 due date.

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

Applicable Criteria

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

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

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

Not Applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
15-Jan-2019	Cash Credit	Long Term	5.00	ACUITE B+/Stable (Reaffirmed)
	Bank Guarantee	Short Term	15.00	ACUITE A4 (Reaffirmed)
13-Nov-2017	Cash Credit	Long Term	5.00	ACUITE B+/Stable (Upgraded from ACUITE D)
	Bank Guarantee	Short Term	15.00	ACUITE A4 (Upgraded from ACUITE D)
25-Nov-2016	Cash Credit	Long Term	5.00	ACUITE D (Downgraded from ACUITE BB+/Stable)
	Bank Guarantee	Short Term	15.00	ACUITE D (Downgraded from ACUITE A4+)
27-Jul-2015	Cash Credit	Long Term	5.00	ACUITE BB+/Stable (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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 6,000 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 Mumbai.

Disclaimer: An Acuité 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

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