

Press Release

Nikita Jewellery Private Limited

MARCH 31, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 9.44 Cr. #
Long Term Rating	SMERA BB- Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BB-**' (read as SMERA double B Minus) and '**SMERA A4+**' (read as SMERA A four plus) on the Rs. 9.44 crore bank facilities of Nikita Jewellery Private Limited (NJPL). 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

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.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 endeavored 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

NJPL, incorporated in 2002, is a Mumbai-based company promoted by Mr Ashok Kumar Daga, Mr Abhinav Kumar Daga and Mrs Sushila Kumari Daga. The company is engaged in the manufacture and export of jewellery (gold, silver, and diamonds) at Mumbai. The products include rings, ear rings, pendants and bracelets.

For FY2015-16, NJPL reported net profit after tax (NPAT) of Rs. 3.21 crore on operating income of Rs.38.40 crore as compared to NPAT of Rs.4.03 crore on operating income of Rs.43.77 crore in FY2014-15. The tangible net worth stood at Rs.25.49 crore in FY2015-16 as against Rs.22.35 crore in FY2014-15.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
18 January, 2017	Secured Overdraft	Long Term	2.34	SMERA BB-/ Stable (Assigned)
	Foreign Bills Purchase	Long Term	7.00*	SMERA A4+ (Assigned)
	Fund based Facilities (Proposed)	Long Term	0.10	SMERA A4+ (Assigned)

* Bills Discounting and Gold Loan of Rs. 5.60 crore and Rs.1.40 crore respectively – sublimit within Foreign Bills Purchase

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	2.34	SMERA BB-/ Stable Issuer not co-operating*
Foreign Bills Purchase	Not Applicable	Not Applicable	Not Applicable	7.00**	SMERA A4+ Issuer not co-operating*
Fund based Facilities (Proposed)	Not Applicable	Not Applicable	Not Applicable	0.10	SMERA A4+ Issuer not co-operating*

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

** Bills Discounting and Gold Loan of Rs. 5.60 crore and Rs.1.40 crore respectively – sublimit within Foreign Bills Purchase

Contacts

Analytical	Rating Desk
Suman Chowdhury President - SMERA Bond Ratings Tel: 022-67141107 suman.chowdhury@smera.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 varsha.bist@smera.in
Rupesh Patel Analyst - Rating Operations Tel: 022-67141320 rupesh.patel@smera.in	

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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