

Press Release

Vishal Diamonds

September 10, 2020



Rating Update

Total Bank Facilities Rated*	Rs.25.00 Cr. #
Short Term Rating	ACUITE A4 (Issuer not co-operating*)

Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the short term rating to '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.25.00 crore bank facilities of Vishal Diamonds. This rating is now an indicative rating and is based on the best available information.

Mumbai-based Vishal Diamonds (VD), is a partnership firm established in 1998. The partners of the firm are Mr. Sunay Gandhi, Mr. Chetan Gandhi, Mrs. Sejal Gandhi, Mrs. Vishakha Gandhi and Ms. Shruti Gandhi. The firm trades in polished diamonds and also manufactures diamond-studded gold jewellery. The firm derives around 40 per cent of its revenues from trading in diamonds, and the balance 60 per cent from the manufacturing of diamond and diamond-studded gold jewellery. Further, the firm exports ~80 per cent of polished diamonds mainly to UAE and USA.

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 an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

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

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.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.

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

Acuité 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
19-Oct-2019	Bills Discounting	Short Term	25.00	ACUITE A4 (Reaffirmed)
02-Aug-2018	Bills Discounting	Short Term	25.00	ACUITE A4 (Downgraded from ACUITE A4+)
03-Jul-2017	Bills Discounting	Short Term	25.00	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
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	25.00	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 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 8,400 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.

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