

Press Release

Sumit Gems

December 15, 2020

Rating Withdrawn



Total Bank Facilities Rated*	Rs.8.00 crore#
Long Term Rating	ACUITE B+ (Withdrawn; Issuer not co-operating*) (Downgraded from ACUITE BB-)

#Refer Annexure for details

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

Acuite has downgraded and withdrawn the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.8.00 crore bank facilities of Sumit Gems (SG). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating is now an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Mumbai-based, Sumit Gems established in 1978 as a partnership firm by Shri Rajendra Manilal Shah and Shri Rajendra R. Shah. The firm is engaged in trading of loose diamonds (SI category). Firm's customer portfolio includes domestic market (55%) and the balance is exported to corporate manufacturers in the U.S. and Hong Kong.

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.

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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 endeavoured 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)

CARE, vide its press release dated June 05, 2018 had denoted the rating of Sumit Gems (SG) as 'CARE BB/Stable (Withdrawn; Issuer Not Cooperating)' on account of lack of adequate information required for monitoring of ratings.

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
27-Sept-2019	Cash Credit	Long Term	6.50	ACUITE BB-/Stable (Downgraded from ACUITE BB)
	Proposed Bank Facility	Long Term	1.50	ACUITE BB-/Stable (Assigned)
11-July-2019	Cash Credit	Long Term	8.00	ACUITE BB (Issuer not co-operating*)
24-Apr-2018	Cash Credit	Long Term	8.00	ACUITE BB/Stable (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	6.50	ACUITE B+ (Withdrawn; Downgraded from ACUITE BB-) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B+ (Withdrawn; Downgraded from ACUITE BB-) 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 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.

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