

Press Release

Jaipur Jewels Global Limited

June 21, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	34.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	35.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	69.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the short-term rating at '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.69.00 Cr bank facilities of Jaipur Jewels Global Limited. The rating is flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Jaipur Jewels, based of Mumbai was established as a partnership firm in 1996, later changed its constitution in 2012 to Jaipur Jewels Global Limited (JJGL). The company is engaged in the business of processing, trading and export of all kinds of precious and semi-precious stones including diamonds and pearls, Jewellery and ornaments under the brand name 'Jaipur Jewels'. The company operations are managed by Mr. Amit Naheta and Mr. Vineet Naheta. JJGL has two showrooms located at Nepean Sea Road in Mumbai (1000 sq. feet) and Sunder Nagar Market in New Delhi (1700 sq. feet). It also has its own design studio located at grant road in Mumbai (Maharashtra). The company has also started franchise store in Varanasi (3000 sq. feet) and is in process of launching online store.

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

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.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not applicable.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not applicable.

Key Financials:

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

Status of non-cooperation with previous CRA

Brickworks vide its press release dated 26 July 2021, has classified JJGL as 'Issuer Not Cooperating' and rated 'BWR BB-/Stable/A4'.

Any other information

None

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Mar 2021	Secured Overdraft	Long Term	15.00	ACUITE BB- Negative (Downgraded from ACUITE BBB- Negative)
	Cash Credit	Long Term	14.50	ACUITE BB- (Downgraded and Withdrawn)
	Bank Guarantee	Short Term	25.00	ACUITE A4 (Downgraded from ACUITE A3)
	Packing Credit	Short Term	10.00	ACUITE A4 (Downgraded from ACUITE A3)
	Cash Credit	Long Term	19.00	ACUITE BB- Negative (Downgraded from ACUITE BBB- Negative)
27 Feb 2020	Packing Credit	Short Term	10.00	ACUITE A3 (Reaffirmed)
	Secured Overdraft	Long Term	15.00	ACUITE BBB- Negative (Reaffirmed)
	Cash Credit	Long Term	14.50	ACUITE BBB- Negative (Reaffirmed)
	Bank Guarantee	Short Term	25.00	ACUITE A3 (Reaffirmed)
05 Feb 2019	Packing Credit	Short Term	10.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	14.50	ACUITE BBB- Stable (Assigned)
	Secured Overdraft	Long Term	15.00	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	25.00	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Karnataka Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4 Reaffirmed Issuer not co-operating*
The Saraswat Cooperative Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	19.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Karnataka Bank Ltd	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Karnataka Bank Ltd	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 Reaffirmed Issuer not co-operating*

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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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