

Press Release

Impex Diamonds

November 11, 2020



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.40.00 Cr. # |
| Short Term Rating | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |

Refer Annexure for details

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

Rating Rationale

Acuite has downgraded the short term rating to '**ACUITE A4' (read as ACUITE A four)** from '**ACUITE A4+' (read as ACUITE A four plus)** on the Rs.40.00 crore bank facilities of Impex Diamonds. This rating is now an indicative rating based on the best available information and is downgraded on account of information risk.

Incorporated in 1974, the Impex Diamonds is a partnership firm promoted by the Barmecha Family led by Mr. Bhavesh Barmecha and Mr. Prem Barmecha. The firm is engaged in the cutting, polishing and trading of diamonds.

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 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). Acuite has 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)

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 |
|-------------|---------------------------------|------------|------------------|-----------------------|
| 08-Aug-2019 | Packing Credit | Short Term | 40.00 | 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 |
|------------------------|------------------|----------------|----------------|-----------------------------|---|
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 40.00 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|--|--|
| Aditya Gupta Vice President – Corporate Ratings Tel: 022-49294041 aditya.gupta@acuite.in Aditya Sahu Analyst – Rating Operations Tel: 022-49294055 aditya.sahu@acuite.in | Varsha Bist Senior Manager – Rating Desk Tel: 022-49294011 rating.desk@acuite.in |

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.

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 of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.