



Press Release

Hari Darshan Exports Private Limited

May 14, 2024

Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Ratings Loan	187.81	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating*	-
Bank Ratings Loan	35.00	-	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	222.81	-	-

Rating Rationale

Acuite has downgraded and withdrawn its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE Triple B**) and its short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A Three Plus**) on the Rs 222.81 Crore bank facilities of Hari Darshan Exports Private Limited. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating downgraded on account of information risk. The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

About the Company

Mumbai based Hari Darshan Exports Pvt. Ltd. (HDEPL) was established as a partnership firm in 2004 by Mr. Bhavesh Odhavibhai Lakhani, Mr. Nileshkumar Lavajibhai Lakhani, Mr. Riteshbhai Jerambhai Lakhani and Mr. Dineshkumar Vashrambhai Dhola. The firm was converted to a private limited company in 2014. HDEPL is engaged in processing and trading of cut and polished diamonds of size ranging between 0.02 to 1 carat. HDEPL is a DTC sight certificate holder since 2017, and has eight manufacturing facilities spread across Bhavnagar, Rajkot and Surat. The Company has a total processing capacity of 20000 carats per month. HDEPL exports ~60-70 percent of its total sales in the key markets of Belgium, Israel, UAE, Hongkong and Spain among others.

Unsupported Rating

Not Applicable

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 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, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavoured 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.

Rating Sensitivities

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

Liquidity Position

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

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	1047.18	713.35
PAT	Rs. Cr.	43.16	43.96
PAT Margin	(%)	4.12	6.16
Total Debt/Tangible Net Worth	Times	0.63	0.76
PBDIT/Interest	Times	7.50	7.20

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- 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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Mar 2023	Covid Emergency Line.	Long Term	26.79	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	11.02	ACUITE BBB Stable (Assigned)
	Post Shipment Credit	Long Term	90.00	ACUITE BBB Stable (Reaffirmed)
	Post Shipment Credit	Long Term	60.00	ACUITE BBB Stable (Reaffirmed)
	Post Shipment Credit	Short Term	30.00	ACUITE A3+ (Assigned)
	Short-term Loan	Short Term	2.50	ACUITE A3+ (Reaffirmed)
	Short-term Loan	Short Term	2.50	ACUITE A3+ (Reaffirmed)
29 Jun 2022	Post Shipment Credit	Long Term	60.00	ACUITE BBB Stable (Assigned)
	Post Shipment Credit	Long Term	75.00	ACUITE BBB Stable (Assigned)
	Post Shipment Credit	Long Term	15.00	ACUITE BBB Stable (Assigned)
	Short-term Loan	Short Term	2.50	ACUITE A3+ (Assigned)
	Short-term Loan	Short Term	2.50	ACUITE A3+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indusind Bank Ltd	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	26.79	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	11.02	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
Yes Bank Ltd	Not avl. / Not appl.	Post Shipment Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	30.00	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A3+)
Indusind Bank Ltd	Not avl. / Not appl.	Post Shipment Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	90.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Post Shipment Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	60.00	ACUITE BB+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE BBB)
Indusind Bank Ltd	Not avl. / Not appl.	Short-term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.50	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE

								A3+)
State Bank of India	Not avl. / Not appl.	Short-term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.50	ACUITE A4+ Downgraded & Withdrawn Issuer not co-operating* (from ACUITE A3+)

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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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