

Press Release

K's Jewellery & Co

May 16, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 20.20 Cr. #
Long Term Rating	SMERA BB+ Issuer not co-operating*
Short Term Rating	SMERA A4+ Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA BB+** (read as SMERA BB plus) and short term rating of '**SMERA A4+** (read as 'SMERA A four plus') on the Rs. 20.20 crore bank facilities of K's Jewellery & Co. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.smerra.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smerra.in/criteria-manufacturing.htm>
- Financial Ratios And Adjustments - <https://www.smerra.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

KJC established in 1997 is a Mumbai-based partnership firm promoted by Mr. Ajay F. Jhaveri. The overall operations of the firm are managed by Mr. Apurva Ajay Jhaveri (son of Mr. Ajay F. Jhaveri). KJC is engaged in manufacturing and export of gold and platinum jewellery studded with diamonds and precious stones. The firm is a 100% Export Oriented Unit (EOU) catering to wholesalers and retailers in Europe USA and UK. KJC has a manufacturing facility in Mumbai. The firm's associate concern (M. Shashikant & Co.) is engaged in trading of cut and polished diamonds since four decades.

For FY2014-15 KJC reported profit after tax of Rs.0.69 crore on net sales of Rs.93.77 crore; as compared with profit after tax of Rs.0.73 crore on net sales of Rs.105.84 crore in the previous year. Further the firm reported net sales of Rs. 55 crore (provisional) during April 2015 to November 2015. KJC's net worth stood at Rs.10.70 crore as on March 31 2015 as compared with Rs.10.54 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
28-Dec-2015	Export Packing Credit	Long Term	INR 8	SMERA BB+ / Stable
	Post Shipment Credit	Long Term	INR 8	SMERA BB+ / Stable
	Bank Guarantee	Short Term	INR 0.75	SMERA A4+
	Proposed EPC/PSC	Long Term	INR 3.45	SMERA BB+ / Stable
20-Feb-2015	Export Packing Credit (EPC)	Long Term	INR 8	SMERA BB+ / Stable
	Post Shipment Credit (PSC)	Long Term	INR 8	SMERA BB+ / Stable
	Bank Guarantee	Short Term	INR 0.75	SMERA A4+
	EPC/PSC (proposed)	Long Term	INR 3.45	SMERA BB+ / Stable
26-Mar-2014	Export Packing Credit (EPC)	Long Term	INR 8	SMERA BB- / Stable
	Post Shipment Credit (PSC)	Long Term	INR 8	SMERA BB- / Stable
	Proposed EPC / PSC	Long Term	INR 4.2	SMERA BB- / Stable
21-Mar-2013	Packing Credit	Long Term	INR 8.5	SMERA BB- / Stable
	Post Shipment Credit	Long Term	INR 7	SMERA BB- / Stable
	Proposed Packing Credit/Post Shipment Credit	Long Term	INR 4.7	SMERA BB- / Stable

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	4.50	SMERA BB+ Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	4.50	SMERA BB+ Issuer not co-operating*
PC/PCFC	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA BB+ Issuer not co-operating*
Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	3.50	SMERA BB+ Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.75	SMERA A4+ Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	3.45	SMERA BB+ Issuer not co-operating*

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

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc.. For more details, please visit www.smera.in.

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