

Press Release

Rajesh Exports Limited (REL)

February 06, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 2200.00 Cr. #
Long Term Rating	SMERA A Issuer not co-operating*
Short Term Rating	SMERA A1 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 A**’ (read as **SMERA A**) and short-term rating of ‘**SMERA A1**’ (read as **SMERA A one**) on the Rs. 2200.00 crore bank facilities of Rajesh Exports Limited (REL). This is an indicative rating.

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 required documents 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.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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

The erstwhile M/s Rajesh Exports was established on May 29, 1990 as a partnership firm by Mr. Rajesh Mehta and Mr. Prashant Mehta. The firm was later reconstituted as a joint stock company on 25th January 1995 in the name of Rajesh Exports Limited. The company imports raw gold and gold bullion and converts these into gold jewellery, medallions and other products. It also exports these products across the world apart from selling in the wholesale market and through own retail stores. The company acquired gold refinery, Valcambi SA in July 2015. The Chairman, Mr. Rajesh Mehta, along with board of directors looks after the overall functioning of the company.

For FY2015-16, the company reported profit after tax (PAT) of Rs.1069.00 crore on income of Rs.165,211.44 crore as compared to PAT of Rs.654.91 crore on income of Rs.50,462.89 crore in FY2014-15.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
20-December-2016	Pre/Post Shipment Finance	Long Term	INR 410.00	SMERA A / Stable (Reaffirmed)
	Letter of Credit/ Bank Guarantee/ Buyer's Credit	Short Term	INR 600.00	SMERA A1 (Reaffirmed)
	Proposed Fund Based Facilities	Long Term	INR 590.00	SMERA A / Stable (Reaffirmed)
	Proposed Non Fund Based Facilities	Short Term	INR 600.00	SMERA A1 (Reaffirmed)
	Pre/Post Shipment Finance	Long Term	INR 100.00	SMERA A / Stable (Withdrawn)
	Letter of Credit/ Bank Guarantee	Short Term	INR 100.00	SMERA A1 (Withdrawn)
09-October-2015	Pre/Post Shipment Finance	Long Term	INR 500.00	SMERA A / Stable (Upgrade)
	Proposed Fund Based Facilities	Long Term	INR 500.00	SMERA A / Stable (Assigned)
	Letter of Credit/ Bank Guarantee/ Buyer's Credit	Short Term	INR 700.00	SMERA A1 (Upgrade)
	Proposed Non Fund Based Facilities	Short Term	INR 500.00	SMERA A1 (Assigned)
09-July-2014	Post Shipment Credit	Long Term	INR 100.00	SMERA A- / Stable (Assigned)
	Foreign Bills Payable/ FBD/ FBN/ FCBD	Long Term	INR 60.00	SMERA A- / Stable (Assigned)
	Foreign Usance Bill Discounting	Long Term	INR 100.00	SMERA A- / Stable (Assigned)

	Pre/Post Shipment in Foreign Currency	Long Term	INR 100.00	SMERA A- / Stable (Assigned)
	Proposed Cash Credit	Long Term	INR 140.00	SMERA A- / Stable (Assigned)
	Letter of Credit/ Bank Guarantee	Short Term	INR 600.00	SMERA A2+ (Assigned)
	Proposed Letter of Credit/ Bank Guarantee	Short Term	INR 100.00	SMERA A2+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Pre/Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	INR 410.00	SMERA A Issuer not co-operating*
Letter of Credit/ Bank Guarantee/ Buyer's Credit	Not Applicable	Not Applicable	Not Applicable	INR 600.00	SMERA A1 Issuer not co-operating*
Proposed Fund Based Facilities	Not Applicable	Not Applicable	Not Applicable	INR 590.00	SMERA A Issuer not co-operating*
Proposed Non - Fund Based Facilities	Not Applicable	Not Applicable	Not Applicable	INR 600.00	SMERA A1 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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