

Press Release

Sumangalee Jewellers

July 12, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 7.00 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 7.00 crore bank facilities of Sumangalee Jewellers (SJ). This rating is now an indicative rating and is based on best available information.

The Tamil Nadu-based SG Group is engaged in the retailing of jewellery since September 2013 through its two firms Sumangalee Jewellers (established in 1996) and AMR Sumangalee Jewellers (established in July 2013). The day-to-day operations of the group are managed by Mr. P. Arumugam, Mr. P. Manivel, and Mr. P. Ravikumar.

Analytical approach

Acuite has consolidated the business and financial risk profiles of AMR Sumangalee Jewellers and Sumangalee Jewellers, hereinafter referred as SG Group. The consolidation is mainly on account of similarity in the line of business, strong operational & financial synergies and common management.

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 due date.

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

Applicable Criteria

- Entities in Trading Industries– <https://www.acuite.in/view-rating-criteria-6.htm>
- Default Recognition: <https://www.acuite.in/criteria-default.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 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.

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)

None

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
May 03, 2018	Cash Credit	Long Term	7.00	ACUITE B+/ Stable (Reaffirmed)
March 21, 2017	Cash Credit	Long Term	7.00	ACUITE B+/ Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	2.09	ACUITE B+/ Stable (Withdrawn)
November 03, 2015	Cash Credit	Long Term	7.00	ACUITE B+/ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	2.09	ACUITE B+/ Stable (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not applicable	Not applicable	Not applicable	7.00	ACUITE B+ (Indicative)

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in Charu Mahajan Rating Analyst - Rating Operations Tel: 011-4973 1313 charu.mahajan@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings 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 6,000 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.

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