

Khanna Jewellers Private Limited

February 01, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	76.09	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 25, 2021, placed the rating(s) of Khanna Jewellers Private Limited (KJPL) under the 'issuer non-cooperating' category as KJPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KJPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 11, 2022, October 21, 2022, October 31, 2022 and February 01, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to bank facilities of KJPL have been revised on account of non-availability of requisite information. The rating revision also considers instances of delays in debt servicing as recognized from the FY21 audit report available from ROC filings.

Detailed description of the key rating drivers

Please refer to PR dated [November 25, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on Default Recognition](#)

About the Company

Khanna Jewellers Pvt Ltd (KJPL) is part of the Khanna group, which was founded in 1953 by Mr. Wazir Chand Khanna with his three sons Mr. Kewal Krishna Khanna, Mr Raj Kishan Khanna and Mr. Vijay Khanna. The group started operating as a partnership firm from its present-day main showroom at Karol Bagh, New Delhi, which was later converted into a private limited company in October 1973. The company presently has three showrooms – at Karol Bagh, South Extension, and Vishal enclave (all in Delhi). KJPL deals in the wholesaling, retailing and export of gold and diamond studded jewellery.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31,2021 (A)	March 31,2022 (A)	9M2023 (Prov.)
Total operating income	325.69	537.77	NA
PBILDT	19.58	22.80	NA
PAT	8.97	7.47	NA
Overall gearing (times)	0.97	1.13	NA
Interest coverage (times)	2.23	2.40	NA

A-Audited, Prov.- Provisional, NA – Not Available.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Available

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Please refer Annexure-4

Lender details: Please refer Annexure-5

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	70.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	December,2026	6.09	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	6.09	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (25-Nov-20) 2)CARE BB; Stable (28-Jul-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (17-Sep-19)
2	Fund-based - LT-Cash Credit	LT	70.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (25-Nov-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (25-Nov-20) 2)CARE BB; Stable (28-Jul-20)	-
3	Non-fund-based - ST-BG/LC	-	-	-				

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Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable
Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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