

K R B S Jewellery Private Limited

December 09, 2021

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|---|---|---|
| Long Term Bank Facilities | 10.00 | CARE B; ISSUER NOT COOPERATING* (Single B ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; (Single B Plus) |
| Total Bank Facilities | 10.00 (Rs. Ten Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated November 20, 2020, placed the rating(s) of K R B S Jewellery Private Limited (KRBSJPL) under the 'issuer non-cooperating' category as KRBSJPL 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. KRBSJPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 06, 2021, October 16, 2021 and October 26, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 the bank facilities of KRBSJPL have been revised on account of non-availability of requisite information. The rating also factored in significant decline in profitability and debt coverage indicators during FY20 over FY19.

Detailed description of the key rating drivers

Please refer to PR dated [November 20, 2020](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

KRBSJPL was originally operating in the name of "R. Balasubramanian Jewellery", established in 1950 by Mr Balasubramanian, as a proprietorship company. It was engaged in manufacture and retailing of jewelry. Mr Balasubramanian was also engaged in manufacture of T-Shirts through another proprietorship "RBS Exports". Subsequently, with the view to increase the scale of operations, private limited company was established in the name KRBSJPL on July 10, 2012. In June 2013, the business of jewelry and garments was taken over by KRBSJPL and the commercial operations of the company commenced.

| Brief Financials (Rs. crore) | FY19 (A) | FY20 (A) | FY21(Prov.) |
|------------------------------|----------|----------|-------------|
| Total operating income | 79.01 | 81.82 | NA |
| PBILDT | 4.34 | 0.73 | NA |
| PAT | 1.68 | 0.47 | NA |
| Overall gearing (times) | 0.90 | 0.84 | NA |
| Interest coverage (times) | 3.07 | 0.42 | NA |

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors and Managing Director & CEO of CARE: Not Applicable

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

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

Covenants of rated instrument/facility: Annexure-3

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

Annexure-1: Details of Instruments / Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 10.00 | CARE B; 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 (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 | Date(s) & Rating(s) assigned in 2018-2019 |
| 1 | Fund-based - LT-Cash Credit | LT | 10.00 | CARE B; ISSUER NOT COOPERATING* | - | 1)CARE B+; ISSUER NOT COOPERATING* (20-Nov-20) | 1)CARE BB-; ISSUER NOT COOPERATING* (23-Aug-19) | 1)CARE BB; ISSUER NOT COOPERATING* (19-Jul-18) |

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

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

| Sr. No | Name of instrument | Complexity level |
|--------|-----------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |

Note on complexity levels of the rated instrument: CARE 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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About CARE Ratings:

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