

Grace Jewels Private Limited

February 17, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	0.50	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	6.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	6.50 (Rs. Six Crore and Fifty Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 05, 2021, placed the rating(s) of Grace Jewels Private Limited (GJPL) under the 'issuer non-cooperating' category as GJPL 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. GJPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 22, 2021, January 01, 2022, January 11, 2022.

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).

Detailed description of the key rating drivers

Please refer to PR dated [February 05, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Grace Jewels Private Limited (GJPL) was incorporated as a private limited company in 2004 by Mr. Vikas Golechha and Mrs. Vidya Golechha. The company is engaged in the business of manufacturing of gold, diamond and colour stone studded jewellery. Mr. Vikash Golechha and his wife Mrs. Vidya Golechha are the directors who manage the business for more than a decade. While the company's revenues are predominantly generated from exports market with sales to wholesalers based in countries namely USA, UK, Australia, Taiwan, Hongkong, etc. (constituting 94.98% in FY19 amounting to Rs.29.99 crore and constituting 85.73% in FY18 amounting to Rs. 24.25 crore). However, its key raw material viz. gold is procured domestically from Diamond India Limited whereas diamonds and colored stones are procured from local markets and Jaipur respectively. The company deals mainly in 24 carat gold jewellery and diamonds of all shapes, sizes and cents. GJPL has its processing unit with an annual installed capacity of 60 kg of jewellery in Mumbai, Maharashtra.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	9MFY22(Prov.)
Total operating income	33.13	NA	NA
PBILDT	2.12	NA	NA
PAT	0.46	NA	NA
Overall gearing (times)	1.26	NA	NA
Interest coverage (times)	2.76	NA	NA

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

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

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Please refer Annexure-3

Complexity level of various instruments rated for this trust: Please refer 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 - ST-Packing Credit in Foreign Currency		-	-	-	2.85	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	3.15	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	-	0.50	CARE B; Stable; 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 - ST-Packing Credit in Foreign Currency	ST	2.85	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Feb-21)	1)CARE A4 (26-Nov-19)	1)CARE A4 (25-Dec-18)
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	3.15	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-Feb-21)	1)CARE A4 (26-Nov-19)	1)CARE A4 (25-Dec-18)
3	Fund-based - LT-Term Loan	LT	0.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (05-Feb-21)	1)CARE B+; Stable (26-Nov-19)	1)CARE B+; Stable (25-Dec-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-Term Loan	Simple
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	Simple
3	Fund-based - ST-Packing Credit in Foreign Currency	Simple

Annexure 5: Bank Lender Details for this Company

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

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:

Established in 1993, CARE Ratings Ltd is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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