

Sidds Jewels Private Limited (Revised)

May 28, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	100.91	CARE D	Assigned
Long Term / Short Term Bank Facilities	142.26 (Reduced from 405.36)	CARE D / CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation in the ratings assigned to the bank facilities of Sidds Jewels Private Limited continue to factor in the ongoing delays in debt servicing, as mentioned in audit report for FY23 and confirmed by the lenders.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely servicing of debt obligations (principal and interest) for minimum 90 days

Negative factors: Not Applicable

Analytical approach: Combined

CARE Ratings has considered the combined financial profiles of Sidds Jewels India LLP and Sidds Jewels Private Limited as the entities operate under common management, are involved in similar lines of business and have operational synergies.

Outlook: Not Applicable

Detailed description of the key rating drivers

Key weaknesses

Delays in debt servicing

As per audit report for FY23, the account of the company with various banks (Canara Bank, Union Bank of India, Bank of Baroda, Central Bank of India and Axis Bank) has been classified as NPA since June 13, 2021. Further, OTS has been approved for Canara Bank dated Mar 24, 2022, and Union Bank of India dated Mar 10, 2023. As on date, other banks (Bank of Baroda, Central Bank of India and Axis Bank) OTS are under process and are still tagged as NPA.

Liquidity: Poor

The liquidity position of the company remained poor on account of delays in debt servicing.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Consolidation](#)

About the company and industry

Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Gems, Jewellery And Watches

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

Incorporated in 2003, Sidds Jewels Private Limited (SJPL) is promoted by Mr. Sunil S. Kothari belonging to the Kothari family from Mumbai. The company is into manufacturing and export of diamond studded jewellery. The manufacturing facility is located in SEEPZ, Mumbai. Apart from interest in G&J business, the Kothari family also has businesses in hospitality, real estate, horticulture and plantation industry.

Brief Financials (₹ crore) – Combined	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (UA)
Total operating income	987.76	746.71	491.78
PBILDT	39.91	7.15	24.58
PAT	6.48	-23.30	4.11
Overall gearing (times)	1.81	1.78	1.48
Interest coverage (times)	1.44	0.54	1.40

A: Audited; UA: Unaudited; Note: 'the above results are latest financial results available'.

Brief Financials (₹ crore)- Standalone	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (UA)
Total operating income	267.66	195.33	104.77
PBILDT	16.94	-27.19	8.65
PAT	-5.16	-34.19	0.88
Overall gearing (times)	1.88	1.98	1.62
Interest coverage (times)	0.83	-3.94	1.33

A: Audited; UA: Unaudited; Note: 'the above results are latest financial results available'.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for the last three years: Annexure-2

Covenants of the rated instruments/facilities: Annexure-3

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

Lender details: 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-Term Loan		-	-	31-03-2026	100.91	CARE D
Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing		-	-	-	142.26	CARE D / CARE D

Annexure-2: Rating history for the 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT/ST-Bill Discounting/ Bills Purchasing	LT/ST	142.26	CARE D / CARE D	-	1)CARE D / CARE D; ISSUER NOT COOPERATING * (28-Dec-23)	1)CARE D / CARE D; ISSUER NOT COOPERATING * (27-Oct-22)	1)CARE D / CARE D; ISSUER NOT COOPERATING * (14-Sep-21) 2)CARE D / CARE D (31-May-21)
2	Fund-based - LT-Term Loan	LT	100.91	CARE D				

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/Short term

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Bill Discounting/ Bills Purchasing	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.

Contact us

Media Contact Name: Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 91 22 6754 3444 E-mail: Ankur.sachdeva@careedge.in	Analytical Contacts Sudarshan Shreenivas Director CARE Ratings Limited Phone: 912267543566 E-mail: sudarshan.shreenivas@careedge.in Raunak Modi Assistant Director CARE Ratings Limited Phone: 912267543667 E-mail: Raunak.modi@careedge.in Smith Jain Analyst CARE Ratings Limited E-mail: Smith.Jain@careedge.in
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About us:

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