Anjali Diamonds Private Limited

July 31, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	25.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	56.50	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable / CARE A3 and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd.(CareEdge Ratings) has been seeking information from Anjali Diamonds Private Limited (ADPL) to monitor the rating(s) vide e-mail communications/ letters dated May 02, 2025, May 13, 2025, May 22, 2025, June 17, 2025, June 20, 2025, July 01, 2025, July 03, 2025 and July 09, 2025, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The rating on ADPL's bank facilities will now be denoted as **CARE BB+; Stable/ CARE A4+; ISSUER NOT COOPERATING***

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

The rating has been revised on account of non-availability of requisite information to conduct the review. The ratings continue to remain constrained on account of susceptibility of ADPL's profitability to intense competition and decline of lab grown diamonds (LGD) prices, high customer concentration risk, project risk associated with debt funded capex and limited experience of management in the LGD value chain.

The ratings, however, continue to derive strength from its comfortable financial risk profile backed by healthy net-worth base, successful scaling up of operations and healthy profitability. The ratings also take cognizance of experience of management in assembly and supply of diamond processing machinery and adequate liquidity.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings believes that ADPL will continue to derive benefit from its comfortable financial risk profile and proposed expansion of its presence in the LGD value chain.

Detailed description of key rating drivers:

At the time of last rating on May 28, 2024, following were the key rating drivers:

Key weaknesses

Susceptibility of profitability to intense competition and steep decline of LGD prices

There has been a large capacity addition in the LGD space in India in the recent past. It is expected to intensify the competitive landscape for the LGD growers and exert strain on the average sales realisation of the LGD prices, which has already reflected a declining trend since last two years. Consequently, ADPL's profitability remains susceptible to competitive intensity, pricing pressure and its acceptance in the market.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

High customer concentration risk and exposure to forex risk:

The customer concentration remains high with top 5 customers contributing around 77% of total operating income (TOI) for FY24(Prov.). Furthermore, ADPL, being a net exporter, is exposed to exchange rate fluctuations on the timing difference with regards to receivables and payables.

Implementation risk associated with proposed debt-funded capex to be undertaken in FY25:

ADPL is planning to undertake capex of Rs. 136 crore for installation of 280 CVD machines for inhouse production of rough LGD diamonds and installation of a captive solar plant with 20-megawatt capacity. The installed capacity of rough LGD production is envisaged to 6,72,000 carats per annum. The project is envisaged to be funded by internal accrual: Bank debt of 30:70. Considering, implementation of the project is yet to start, and financial closure is not yet achieved, ADPL is exposed to project implementation risk.

Limited experience of management in LGD value chain

While the management have more than a decade of experience in assembly and supply of diamond processing machinery, they have a limited experience in the LGD value-chain with only 2.5 years in LGD processing and less than a year in jewellery segment. Moreover, In FY25, ADPL plans to venture in a new segment (LGD growing) with a debt funded capital investment of around Rs.136 crore. LGD growing is a technology-oriented segment, which is being updated frequently and requires high skillset to yield quality output. Considering limited experience in the LGD value chain, ability of the management to achieve required output, scale up the operations and achieve envisaged profitability remains crucial from credit perspective and hence a key rating monitorable.

Key strengths

Comfortable financial risk profile backed by healthy net worth base

ADPL has a comfortable capital structure marked by overall gearing of 0.10x for the year ended March 31, 2024 (Prov.) [FY23(A):0.02x] with a strong net worth base of Rs.186 crore [FY23(A): Rs.90 crore]. Debt coverage also remained healthy marked by TD/GCA of 0.19x as on March 31, 2024 (Prov.) [FY23(A): 0.02x]. Nevertheless, the capital structure and coverage indicators are expected to moderate on account of debt-funded capex.

Successful scaling up of operations and healthy profitability

ADPL started commercial operations from October 2021. In its first full year of operations i.e. FY23, ADPL had reported TOI of Rs.163 crore which increased to Rs.233 crore in FY24 (Prov.) registering an y-o-y growth of 43%. During FY24 (Prov.), ADPL generated revenue from three segments: Selling of diamond processing machinery (52%), sale of polished LGD (45%) and sale of LGD Jewellery (3%). Going forward, ADPL plans to increase its presence in LGD Jewellery segment. The PBILDT margin, albeit moderated, remained healthy at 51% during FY24 (prov.) as against 63% in FY23(A). However, going forward profitability margins are envisaged to moderate further owing to increase in competition and reduction in sales realisation of LGDs. The gross cash accrual remained high at Rs.98 crore for FY24(Prov.) [FY23(A): Rs. 85 crore].

Liquidity: Adequate

ADPL has adequate liquidity marked by low long-term debt repayment obligations vis-a vis its gross cash accruals, free cash and bank balance to the tune of Rs.36.76 crore as on March 31,2024 (Prov.) 2024 (PY: Rs. 7.18 crore as on March 31,2023) and low utilization of its working capital limits. ADPL has sanctioned working capital limits of Rs. 20 crore, maximum utilization of which remained at around 27% for the trailing five months ended on March 31, 2024. For FY24, the gross cash accruals remained at Rs.98 crore as against repayment of Rs.1 crore. For FY25-FY27, ADPL is envisaged to generate gross cash accrual between Rs. 50-65 crore as against envisaged scheduled repayment of Rs. 7-17 crore. Furthermore, the promoters are resourceful and capable of infusing funds, if required. The working capital cycle remains moderate at 59 days for FY24(Prov.). Net cashflow from operations remained positive at Rs.115 crore for FY24 (Prov.).

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Information Adequacy Risk and Issuer Non-Cooperation](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Gems, Jewellery And Watches

Anjali Daimond Private limited (ADPL) was incorporated on May 15,2021, with commencement of sales of from October 2021. ADPL is primarily engaged in cutting, polishing & selling of lab-grown diamonds (LGD), selling of machinery related to CVD and other diamond processing machinery and LGD studded Jewellery. The processing units of ADPL are located at Surat, Gujarat. The company sells LGD produced by Chemical Vapour Deposition (CVD) method. Currently ADPL procures rough LGD from market and polishes the same.

ADPL is a closely held family-owned and managed business, promoted by Ms. Nehalben Sandipkumar Radaiya and Ms. Shilpaben Rajnibhai Radaiya. ADPL's directors, Mr Gopal Chunibhai Radadia, Mr Rajnikant Madhubhai Radadiya and Mr Ketankumar Vashrambhai Kathiriya. The promoters and directors also own other entities engaged in textile business, real estate etc.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	162.72	233.75
PBILDT	101.89	110.23
PAT	83.75	88.82
Overall gearing (times)	0.02	0.11
Interest coverage (times)	1,187.16	73.64

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: 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 and Rating Outlook
Fund-based-Working capital facilities		-	-	-	20.00	CARE BB+; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	56.50	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	Oct 2033	5.00	CARE BB+; Stable; ISSUER NOT COOPERATING*

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

CareEdge RATINGS

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based-Working capital facilities	LT	20.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable (28-May-24)	-	-
2	Term Loan-Long Term	LT	5.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable (28-May-24)	-	-
3	Fund-based/Non-fund-based-LT/ST	LT/ST	56.50	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable / CARE A3 (28-May-24)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term; LT/ST: Long term/Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based-Working capital facilities	Simple
2	Fund-based/Non-fund-based-LT/ST	Simple
3	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

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

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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