

RATING RATIONALE

12 Mar 2020

Arasu Jewels

Brickwork Ratings downgrades the long term ratings for the Bank Loan Facilities ₹7.00 Crs of Arasu Jewels based on best available information, as the issuer did not cooperate.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Previous Rating	Present Rating
	Previous	Present		23rd May 2017	
Fund Based	7.00	7.00	Long Term	BWR B (Stable)	BWR B- (Stable) Downgraded ISSUER NOT COOPERATING *
Total	7.00	7.00	Rupees Seven Crores Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings
Issuer did not cooperate, based on best available information.

*

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The Long term rating of the Bank Loan Facilities have been downgraded to BWR B- (Stable) (Downgraded) for Arasu Jewels under ‘Issuer Not Cooperating’ category. The rating was due for surveillance in May,2018. However due to non-receipt of information it was moved to rating not reviewed category on 24th August,2018. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, BWR is unable to assess the entity’s financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS

The firm has not provided any financial information to BWR for the last three years.

COMPANY PROFILE

Arasu Jewels is a partnership firm established in the year 1999, engaged in retail Jewellery business, in the city of Kumbakonam, Tamil Nadu. The partners of the firm are Mr. Thirunavukarasu, Mr. Senthil Kumar, Mrs. Dhanalakshmi and Mrs. Swarnalatha. The firm belongs to Arasu Group. It is involved in the business of retailing platinum, gold, silver and diamond jewels.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA

RATING HISTORY

Instrument / Facilities	Current Rating (March 2020)			Rating History		
	Tenure	Amount (₹ Crs)	Rating (2020)	2019	24th August 2018	23rd May 2017
Fund Based	Long Term	7.00	BWR B- (Stable) Downgraded ISSUER NOT COOPERATING *	-	Rating Not Reviewed	BWR B (Stable)
Total		7.00	INR Seven Crores Only			

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

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

Arasu Jewels

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Crs]	Short Term [₹ Crs]	Total [₹ Crs]
1.	Oriental Bank of commerce	Cash Credit	7.00	-	7.00
TOTAL					7.00

Total Rupees Seven Crores Only



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