



Rating Rationale

Amar Jewellers Ltd

29th March 2018

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 50.00 Crore of Amar Jewellers Ltd based on best available information, as the issuer did not cooperate. Accordingly the rating for the said facility has been revised as under

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating *	
	Previous	Present		Previous (Dec,2016)	Present
Fund Based					
Cash Credit	40.00	40.00	Long Term	BWR BB (Pronounced as BWR Double B) Rating Not Reviewed	BWR BB- (Pronounced as BWR Double B Minus) Issuer did not Cooperate; Based on best available information (Outlook:Stable) (Downgrade)
Overdraft	7.00	7.00			
Proposed CC	3.00	3.00			
Total	50.00	50.00	INR Fifty Crores only		

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

Ratings: BWR BB- ; Issuer did not cooperate.

Nature of Non-Cooperation:

The rating was due for a review, BWR took up with the issuer to provide required information over emails (dated: 6th March, 2018 & 20th March 2018). Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company'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, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Company (Information as available in January,2015)

In 1995, the Company was incorporated as a private limited company ‘Amar Jewellers Pvt Ltd’ with Mr. Alpesh Vaivya and Mr. Maganbhai Vaivya (father of Mr. Alpesh) as directors. In 2010, the Company was constituted as public limited company (closely held) and renamed ‘Amar Jewellers Ltd’. The Company is engaged in manufacturing and trading of gems and jewellery and bullion. Major revenues of the Company is derived from the trading of bullions which contributes more than 80% of the revenues. Under the jewellery segment, the Company manufactures gold, silver, diamond studded jewellery and other ornaments.

Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Instrument /Facility	Current Rating (2018)			Rating History		
		Type	Amount (₹ Cr)	Rating^	2017	DEC, 2016	2015
1.	Fund Based	Long Term	50.00	Issuer did not Cooperate; Based on best available information BWR BB-	NA	BWR BB (RNR)	BWR BB (Stable)
	Total		50.00	₹ Fifty Crores Only			

^ Issuer did not cooperate; based on best available information

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)



- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

For any other criteria obtain [hyperlinks](#) from website

Amar Jewellers Ltd
Annexure I

Particulars	Units	FY13	FY14
Revenues	₹ Cr	4482.31	1500.88
EBITDA	₹ Cr	12.92	9.12
PAT	₹ Cr	5.66	5.72
Total Debt : TNW	Times	1.10	0.83
Current Ratio	Times	2.32	2.32

Note: As per information available with BWR

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹24,440 Cr have been rated.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.