

November 03, 2023

Kalyan Jewellers India Limited: Change in limits

Summary of rating(s) outstanding

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/Short-term fund-based – Cash Credit	2,443.00	2,600.00	[ICRA]A+(Stable)/[ICRA]A1; outstanding
Short-term – Interchangeable Limits	(1,763.00)	(1,808.00)	[ICRA]A1; outstanding
Long-term – Unallocated Limits	157.00	-	-
Total	2,600.00	2,600.00	

*Instrument details are provided in Annexure-1

Rationale

The rationale is being released to convey the change in the rated limits of Kalyan Jewellers India Limited (KJIL) as depicted in the table above, based on the latest information received from the company.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology – Gems & Jewellers (Retail)
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of KJIL, as specified in Annexure-II

About the company

Kalyan Jewellers India Limited (KJIL), promoted by Mr. T. S. Kalyanaraman and his sons, is an established jewellery retailer in India with an established market presence for more than three decades. The company operates through a pan-India retail network of 161 stores (including two Candere stores) and 33 stores in the Middle East countries as on June 30, 2023. The company is listed on BSE and NSE since March 2021 with the global private equity firm, Warburg Pincus, holding a significant minority stake in the company.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current rating (FY2024)				Chronology of rating history for the past 3 years				
			Amount outstanding as of Mar 31, 2023 (Rs. crore)	Date & rating in FY2024			Date & rating in FY2023		Date & rating in FY2022	Date & rating in FY2021	
				Nov 03, 2023	Sep 25, 2023	Apr 20, 2023	Oct 28, 2022	Jun 03, 2022	Oct 28, 2021	Oct 26, 2020	
1	Cash Credit	2,600.00	-	[ICRA]A+ (Stable)/ [ICRA]A1	[ICRA]A+ (Stable)/ [ICRA]A1	[ICRA]A+ (Stable)/ [ICRA]A1	[ICRA]A+ (Stable)/ [ICRA]A1	[ICRA]A (Stable)/ [ICRA]A2+	[ICRA]A (Stable)/ [ICRA]A2+	[ICRA]A- (Stable)/ [ICRA]A2+	
2	Interchangeable Limits	(1,808.00)	-	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A2+	[ICRA]A2+	[ICRA]A2+	
3	Term Loans	-	-	-	-	-	-	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A- (Stable)	
4	Unallocated Limits	-	-	-	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	-	
5	Fixed Deposit Programme	-	-	-	-	[ICRA]A+ (Stable); withdrawn	[ICRA]A+ (Stable)	[ICRA]A (Stable)	MA (Stable)	MA- (Stable)	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term/Short-term fund-based – Cash Credit	Simple
Short-term – Interchangeable Limits	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
N.A.	Cash Credit	NA	NA	NA	2,600.00	[ICRA]A+(Stable)/[ICRA]A1
N.A.	Interchangeable Limits	NA	NA	NA	(1,808.00)	[ICRA]A1

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis

Company Name	KJIL Ownership	Consolidation Approach
Kalyan Jewellers India Limited	-	Full Consolidation
Subsidiaries		
Kalyan Jewellers FZE, UAE	100.00%	Full Consolidation
Kalyan Jewellers, INC., USA	100.00%	Full Consolidation
Enovate Lifestyles Private Limited	85.00%	Full Consolidation
Step Down Subsidiaries		
Kalyan Jewellers LLC, UAE	100.00%	Full Consolidation
Kalyan Jewellers For Golden Jewelry Company, W.L.L., Kuwait	49.00%	Full Consolidation
Kalyan Jewellers LLC, Qatar	49.00%	Full Consolidation
Kalyan Jewellers LLC, Oman	70.00%	Full Consolidation
Kenouz Al Sharq Gold Ind. LLC, UAE	49.00%	Full Consolidation
Kalyan Jewellers Bahrain W.L.L.	49.00%	Full Consolidation

Source: KJIL annual report FY2023

ANALYST CONTACTS

Jayanta Roy

+91 33 7150 1120

jayanta@icraindia.com

Kaushik Das

+91 33 7150 1104

kaushikd@icraindia.com

Sujoy Saha

+91 33 7150 1184

sujoy.saha@icraindia.com

Raunak Modi

+91 22 6169 3368

raunak.modi@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



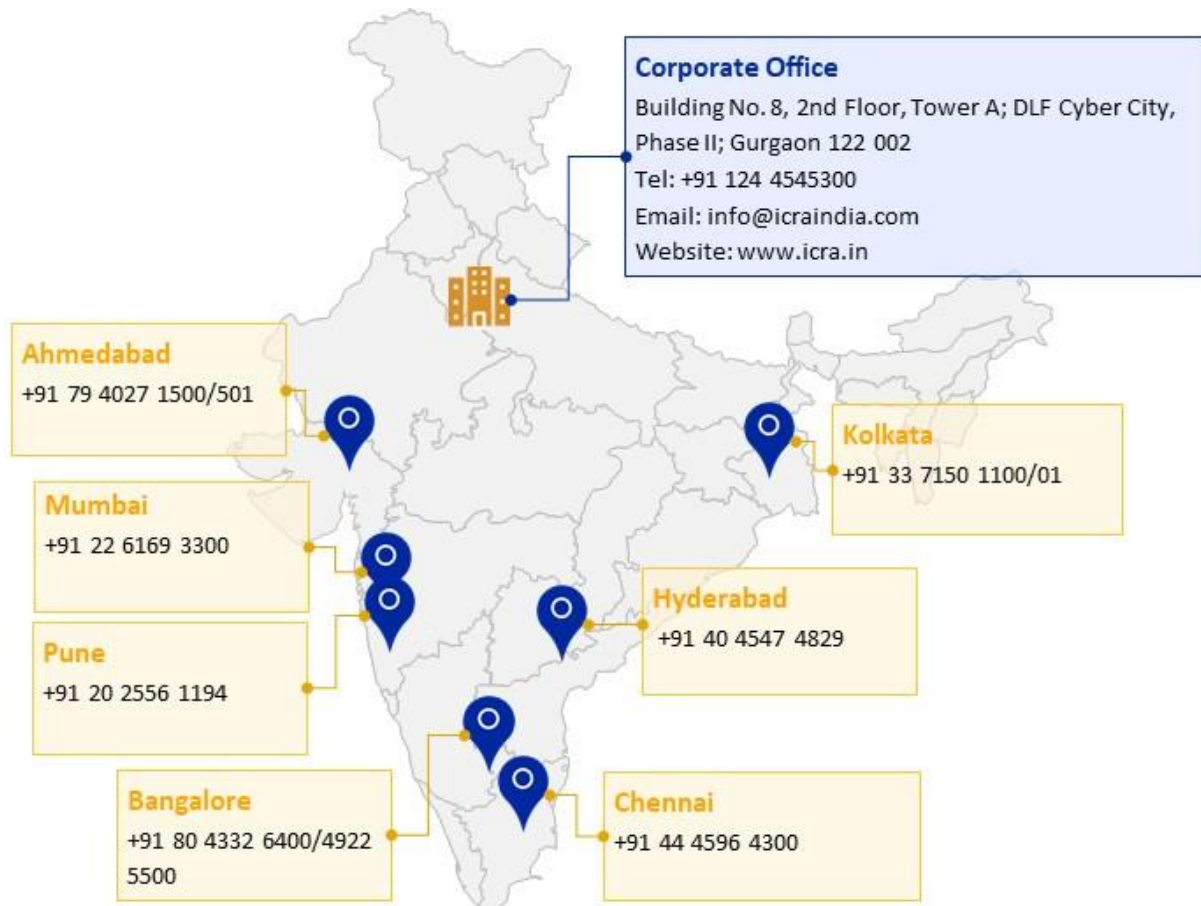
Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.