

Press Release

Jyoti Automobiles Private Limited

02 January, 2018



Rating Update

Total Bank Facilities Rated*	Rs.30.00 Cr
Long Term Rating (Indicative)	SMERA BB Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long term rating of '**SMERA BB**' (read as **SMERA double B**) and **short term rating of SMERA A4+ (Read as SMERA A Four plus)** on the Rs.30.00 crore bank facilities of Jyoti Automobiles Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition: <https://www.smera.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

JAPL, incorporated in 1998, is a Rajasthan-based company promoted by Mr. Sanjay Nakra and Mr. Rajeev Nakra. The company is an authorised dealer for MSIL since 2009 and is engaged in the sale of new vehicles, pre-owned vehicles (under "True Value"), spare parts and accessories.

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JAPL also undertakes vehicle servicing. The company operates a driving school under the name of 'Maruti Driving School'. JAPL took dealership of Honda Motors in March 2015.

For FY2015-16, JAPL reported PAT of Rs.1.14 crore on operating income of Rs.125.81 crore, as compared with PAT of Rs.0.95 crore on operating income of Rs.111.54 crore in the previous year.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
1-November-2016	Term Loan	Long term	8.43	SMERA BB/Stable (Reaffirmed)
	Overdraft#	Long term	5.50	SMERA BB/Stable (Reaffirmed)
	Inventory Funding	Short Term	3.55	SMERA A4+ (Reaffirmed)
	Cash Credit (e-DFS)	Short Term	6.50	SMERA A4+ (Reaffirmed)
	Adhoc limit	Short Term	1.95	SMERA A4+ (Reaffirmed)
	Channel Financing	Short Term	3.00	SMERA A4+ (Reaffirmed)
	Bank Guarantee	Short Term	0.50	SMERA A4+ (Reaffirmed)
	Proposed Fund Based Facilities	Long term	0.57	SMERA BB/Stable (Assigned)
18 August, 2015	Term Loan	Long term	4.48	SMERA BB/Stable (Assigned)
	Overdraft#	Long term	4.50	SMERA BB/Stable (Assigned)

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	Inventory Funding	Short Term	3.55	SMERA A4+ (Assigned)
	Cash Credit (e-DFS)	Short Term	6.50	SMERA A4+ (Assigned)
	Adhoc Limit	Short Term	1.95	SMERA A4+ (Assigned)
	Channel Financing	Short Term	3.00	SMERA A4+ (Assigned)
	Bank Guarantee	Short Term	0.50	SMERA A4+ (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loans	NA	NA	NA	8.43	SMERA BB (Indicative)
Overdraft#	NA	NA	NA	5.50	SMERA BB (Indicative)
Inventory Funding	NA	NA	NA	3.55	SMERA A4+ (Indicative)
Cash Credit (e-DFS)	NA	NA	NA	6.50	SMERA A4+ (Indicative)
Adhoc limit	NA	NA	NA	1.95	SMERA A4+ (Indicative)
Channel Financing	NA	NA	NA	3.00	SMERA A4+ (Indicative)
Bank Guarantee	NA	NA	NA	0.50	SMERA A4+ (Indicative)
Proposed Fund Based Facilities	NA	NA	NA	0.57	SMERA BB (Indicative)

**The issuer did not co-operate; Based on best available information.*

#includes Working Capital Demand Loan as a sublimit to the extent of Rs.3.00 crore

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ABOUT SMERA

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 Permanent Registration No.: IN / CRA / 006 / 2011