

Press Release
Jyoti Automobiles Private Limited

March 08, 2019



Rating Update

Total Bank Facilities Rated*	Rs 30.00
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

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

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.

Non-cooperation by the issuer/borrower:

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Trading Entities- <https://www.acuite.in/view-rating-criteria-6.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY15 (Actual)	FY14 (Actual)	FY13 (Actual)
Operating Income	Rs. Cr.	125.81	111.54	85.64
EBITDA	Rs. Cr.	4.81	4.00	3.09
PAT	Rs. Cr.	1.14	0.95	0.50
EBITDA Margin	(%)	3.82	3.58	3.60
PAT Margin	(%)	0.91	0.85	0.59
ROCE	(%)	14.62	16.22	14.72
Total Debt/Tangible Net Worth	Times	4.39	3.68	4.13
PBDIT/Interest	Times	1.62	1.62	1.51
Total Debt/PBDIT	Times	-	-	-
Gross Current Assets (Days)	Days	82	57	62

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
02-Jan-18	Term Loan	Long term	8.43	ACUITE BB (Indicative)
	Overdraft	Long term	5.5	ACUITE BB (Indicative)
	Inventory Funding	Short Term	3.55	ACUITE A4+ (Indicative)
	Cash Credit (e-DFS)	Short Term	6.5	ACUITE A4+ (Indicative)
	Ad-hoc limit	Short Term	1.95	ACUITE A4+ (Indicative)
	Channel Financing	Short Term	3.00	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	0.5	ACUITE A4+ (Indicative)
	Proposed Fund Based Facilities	Long term	0.57	ACUITE BB (Indicative)
01-Nov16	Term Loan	Long term	8.43	ACUITE B-/Stable (Reaffirmed)
	Overdraft	Long term	5.5	ACUITE BB/Stable (Reaffirmed)
	Inventory Funding	Short Term	3.55	ACUITE BB/Stable (Reaffirmed)
	Cash Credit (e-DFS)	Short Term	6.5	ACUITE A4+ (Reaffirmed)
	Ad-hoc limit	Short Term	1.95	ACUITE A4+ (Reaffirmed)
	Inventory Funding	Short Term	3.00	ACUITE A4+ (Reaffirmed)

	Bank Guarantee	Short Term	0.5	ACUITE A4+ (Reaffirmed)
	Proposed Working Capital Demand Loan	Long term	0.57	ACUITE A4+ (Reaffirmed)
18-Aug-15	Term Loan	Long term	4.48	ACUITE BB/Stable (Assigned)
	Overdraft	Long term	4.5	ACUITE BB/Stable (Assigned)
	Inventory Funding	Short Term	3.55	ACUITE A4+ (Assigned)
	Cash Credit (e-DFS)	Short Term	6.5	ACUITE A4+ (Assigned)
	Ad-hoc limit	Short Term	1.95	ACUITE A4+ (Assigned)
	Channel Financing	Short Term	3.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Long term	0.5	ACUITE BB/Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.43	ACUITE BB Issuer not co-operating*
Overdraft	Not Applicable	Not Applicable	Not Applicable	5.5	ACUITE BB Issuer not co-operating*
Inventory Funding	Not Applicable	Not Applicable	Not Applicable	3.55	ACUITE A4+ Issuer not co-operating*
Cash Credit (e-DFS)	Not Applicable	Not Applicable	Not Applicable	6.5	ACUITE A4+ Issuer not co-operating*
Ad-hoc limit	Not Applicable	Not Applicable	Not Applicable	1.95	ACUITE A4+ Issuer not co-operating*
Channel Financing	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.5	ACUITE A4+ Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.57	ACUITE BB Issuer not co-operating*

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

Contacts

Analytical	Rating Desk
Aditya Gupta Head–Corporate and Infrastructure Sector Rating's Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in
Aishwarya Phalke Analyst - Rating Operations Tel: 022 49294054 aishwarya.phalke@acuiteratings.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.