

## Press Release

Jai Kar Techno Private Limited

July 13, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.40	ACUITE BB-   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	9.40	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	13.80	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 13.80 crore bank facilities of Jai Kar Techno Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

JKTPL, was established in 1998 as a partnership firm and incorporated in April 2010 as a private limited company by Mr. Rajindra Chahal and his family members. Later in 2011 the company commenced its operations after taking over the business of two of its associate concerns ie JK Diesels and Prime Power Services. In FY2014-15, the company also merged its group entity Jas Kar Techno Private Limited.

The company is an authorized dealer of Cummins India Limited (CIL) and provides sales & service support for Cummins products. Currently the company has presence in Jharkhand (25 districts), Bihar - (37 districts), Odisha (23 districts), Madhya Pradesh (2 districts), Uttar Pradesh (2 districts), Haryana (3 districts) and Punjab (6 districts). Currently the day to day affairs of the company are looked after by Mr. Kuldeep S. Chahal, Mr. Rajindra S. Chahal, Mr. Amrinder S. Chahal and Mr. Jaspinder S. Chahal.

### Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

### 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). Acuite has 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

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

### Material Covenants

Not Applicable

### Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

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

### Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Apr 2021	Bank Guarantee	Short Term	2.95	ACUITE A4+ (Issuer not co-operating*)
	Standby Line of Credit	Short Term	0.45	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Long Term	0.12	ACUITE BB (Downgraded and Issuer not co-operating*)
	Inventory Funding	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	0.28	ACUITE BB (Downgraded and Issuer not co-operating*)
	Inventory Funding	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Standby Line of Credit	Long Term	0.45	ACUITE BB+ (Issuer not co-operating*)
	Inventory Funding	Short Term	1.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB+ (Issuer not co-operating*)

14 Jan 2020	Bank Guarantee	Short Term	2.95	ACUITE A4+ (Issuer not co-operating*)
	Proposed Bank Facility	Short Term	0.12	ACUITE A4+ (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	0.28	ACUITE BB+ (Issuer not co-operating*)
	Inventory Funding	Short Term	5.00	ACUITE A4+ (Issuer not co-operating*)
14 Jun 2019	Standby Line of Credit	Long Term	0.45	ACUITE BBB- (Issuer not co-operating*)
	Inventory Funding	Short Term	1.00	ACUITE A3 (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BBB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.95	ACUITE A3 (Issuer not co-operating*)
	Proposed Bank Facility	Short Term	0.12	ACUITE A3 (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	0.28	ACUITE BBB- (Issuer not co-operating*)
	Inventory Funding	Short Term	5.00	ACUITE A3 (Issuer not co-operating*)
03 Apr 2018	Cash Credit	Long Term	4.00	ACUITE BBB-   Stable (Reaffirmed)
	Working Capital Demand Loan	Long Term	0.28	ACUITE BBB-   Stable (Reaffirmed)
	Standby Line of Credit	Short Term	0.45	ACUITE A3 (Reaffirmed)
	Inventory Funding	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Inventory Funding	Short Term	1.00	ACUITE A3 (Reaffirmed)
		Short		
18 Feb 2017	Bank Guarantee	Term	2.95	ACUITE A3 (Reaffirmed)
	Proposed Working Capital Demand Loan	Long Term	0.12	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	0.16	ACUITE BBB-   Stable (Withdrawn)
	Working Capital Demand Loan	Long Term	0.54	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee	Short Term	2.95	ACUITE A3 (Reaffirmed)
	Standby Line of Credit	Short Term	0.45	ACUITE A3 (Reaffirmed)
	Inventory Funding	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Inventory Funding	Short Term	1.00	ACUITE A3 (Assigned)
	Proposed Working Capital Demand Loan	Long Term	0.70	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BBB-   Stable (Assigned)
	Term Loan	Long Term	0.16	ACUITE BBB-   Stable (Assigned)

19 Jan 2016	Bank Guarantee	Short Term	2.95	ACUITE A3 (Assigned)
	Working Capital Demand Loan	Long Term	2.44	ACUITE BBB-   Stable (Assigned)
	Standby Line of Credit	Short Term	0.25	ACUITE A3 (Assigned)
	Inventory Funding	Short Term	5.00	ACUITE A3 (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	2.95	ACUITE A4+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE BB-   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Inventory Funding	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Inventory Funding	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	0.12	ACUITE BB-   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	0.45	ACUITE A4+   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Working Capital Demand Loan (WC DL)	Not available	Not available	Not available	0.28	ACUITE BB-   Downgraded   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a>  Abhishek Singh Junior Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.