

Press Release

SJB Automobiles Private Limited

26 September, 2017



Rating Update

Total Bank Facilities Rated	Rs.29.05 Cr #
Long Term Rating (Indicative)	SMERA B+ Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4 Issuer not co-operating*

Refer Annexure for details of instrument.

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

SMERA has updated rating of '**SMERA B+**' (read as **SMERA B plus**) to the Rs. 29.05 crore bank facilities of SJB Automobiles Private Limited (SJB). This is an indicative rating.

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 required documents 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

- Manufacturing entities: <https://www.smerra.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smerra.in/criteria-default.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:

SJB was incorporated in 2009 by Mr. J Balakrishnan. SJB is a Coimbatore-based company engaged as authorised dealer of TVS Motors (two wheelers), Mahindra and Mahindra (Passenger Vehicle and LCV), Mahindra Trucks & Buses Limited (Medium & Heavy commercial vehicle) and JCB. SJB sells them through its showrooms in Coimbatore, Erode and Karur.

In FY2015-16 (Provisional), the company reported profit after tax (PAT) of Rs.0.48 crore on operating income of Rs.141.90 crore as against net loss of Rs.2.53 crore on operating income of Rs.128.18 crore in the previous year. Tangible net worth stood at Rs. 14.11 crore as on March 31, 2016 as against Rs. 9.98 crore a year earlier.

Rating history (last three years):

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12-Mar-2016	Cash Credit	Long Term	4.50	SMERA B+/Stable (Assigned)
	Overdraft	Long Term	7.50	SMERA B+/Stable (Assigned)
	Asset Backed loan	Long Term	3.00	SMERA B+/Stable (Assigned)
	Cash Credit (Dealer Financing)	Short Term	4.00	SMERA A4 (Assigned)
	Channel Financing	Short Term	4.00	SMERA A4 (Assigned)
	Bank Guarantee	Short Term	6.05	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/Outlook
Cash Credit	N.A	N.A	N.A	4.50	SMERA B+ (Indicative)
Overdraft	N.A	N.A	N.A	7.50	SMERA B+ (Indicative)
Term Loan	N.A	N.A	N.A	3.00	SMERA B+ (Indicative)
Cash Credit (Dealer Financing)	N.A	N.A	N.A	4.00	SMERA A4 (Indicative)
Channel Financing	N.A	N.A	N.A	4.00	SMERA A4 (Indicative)
Bank Guarantee	N.A	N.A	N.A	6.05	SMERA A4 (Indicative)

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ABOUT SMERA

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