

Press Release
SJB AUTOMOBILES PRIVATE LIMITED
January 14, 2025
Rating Downgraded, Reaffirmed and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE B Downgraded Issuer not co-operating*	-
Bank Loan Ratings	14.05	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	29.05	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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

Rating Rationale

Acuite has downgraded the long-term rating to ‘**ACUITE B**’ (read as **ACUITE B**) from ‘**ACUITE B+**’ (read as **ACUITE B plus**) and reaffirmed the short term rating of ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs. 29.05 crore bank facilities of SJB Automobiles Private Limited (SJB) on account of information risk. The rating continues to be flagged as “Issuer Not-Cooperating” and is based on the best available information.

About the Company

SJB Automobiles Private Limited is a Coimbatore-based company, incorporated in 2009 by Mr. J Balakrishnan. The company is authorized 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.

Unsupported Rating

Not Applicable

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 non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuite’s policies.

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 endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	12.84	6.24
PAT	Rs. Cr.	0.64	(5.62)
PAT Margin	(%)	4.97	(90.03)
Total Debt/Tangible Net Worth	Times	(1.47)	(1.54)
PBDIT/Interest	Times	2.01	(2.77)

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Oct 2023	Cash Credit	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Channel/Dealer/Vendor Financing	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	6.05	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	7.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
20 Jul 2022	Cash Credit	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Channel/Dealer/Vendor Financing	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	6.05	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	4.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	7.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.05	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.50	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
Indusind Bank Ltd	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A4 Reaffirmed Issuer not co-operating*
ICICI Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.50	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE B Downgraded Issuer not co-operating* (from ACUITE B+)

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

Contacts

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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.

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