

Press Release
Jai Mahavir Hometex

December 31, 2018

Rating Update



| | |
|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs.12.00 Cr. # |
| Long Term Rating | ACUITE B+ Issuer not co-operating* |

#Refer Annexure for details

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

Rating Rationale

Acuite has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.12.00 crore bank facilities of Jai Mahavir Hometex (JMH). This rating is now an indicative rating and is based on best available information.

Jai Mahavir Hometex (Jai Mahavir), established in January, 2016 is a Haryana-based partnership firm promoted by Mr. Manoj Jain, Mr. Ashok Kumar Garg, Mr. Parveen Kumar Jain and Mr. Vinod Kumar Jain. The firm commenced operations in Oct 2016 to manufacture mink blankets and has installed capacity of 1 lakh blankets per month. The raw material (polyester and colour) is procured from Gujarat.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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). Acuite endeavoured 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.

About the Rated Entity - Key Financials

| | Unit | FY17 (Provisional) | FY16 (Actual) | FY15 (Actual) |
|-------------------------------|---------|--------------------|---------------|---------------|
| Operating Income | Rs. Cr. | 12.51 | NA | NA |
| EBITDA | Rs. Cr. | 1.58 | NA | NA |
| PAT | Rs. Cr. | 0.03 | NA | NA |
| EBITDA Margin | (%) | 12.65 | NA | NA |
| PAT Margin | (%) | 0.23 | NA | NA |
| ROCE | (%) | 9.65 | NA | NA |
| Total Debt/Tangible Net Worth | Times | 1.61 | NA | NA |
| PBDIT/Interest | Times | 2.12 | NA | NA |
| Total Debt/PBDIT | Times | 6.35 | NA | NA |
| Gross Current Assets (Days) | Days | 142 | NA | NA |

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

None

Any other information

Acuite 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 |
|-----------|---------------------------------|-----------|-----------------|--------------------------------|
| 13-Oct-17 | Term Loan | Long Term | 8.00 | ACUITE B+/Stable (Assigned) |
| | Cash Credit | Long Term | 4.00 | ACUITE B+/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 | 8.00 | ACUITE B+ Issuer not co-operating* |
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.00 | ACUITE B+ Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|---|---|
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About Acuite Ratings & Research:

Acuite 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.

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