

Press Release

J K Electro Power

February 15, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer non-cooperating*

Refer Annexure for details

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

Rating Rationale

Acuite has reviewed and downgraded the long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs. 15.00 crore bank facilities of J K Electro Power. This rating is now an indicative rating and is based on best available information.

J K Electro Power established in the year 2001, is a Kolkata based partnership firm engaged trading of HT / LT Cables & Wires, Cable Jointing, LED Lights & accessories. The partners Sri Kishan Kumar Bagri and Sri Jinendra Kumar Begani are enriched with more than four decades of experience in the related industry. JKEP's head office is located in Kolkata and four branches located in Gujarat, Rajasthan, Chhattisgarh and Orissa. Apart from this the firm has two showrooms located in Bhuvneshwar.

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>
- Trading Entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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(Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	94.32	74.69	87.48
EBITDA	Rs. Cr.	4.56	3.80	5.16
PAT	Rs. Cr.	1.02	0.77	0.96
EBITDA Margin	(%)	4.83	5.08	5.90
PAT Margin	(%)	1.08	1.03	1.10
ROCE	(%)	13.28	12.65	33.01
Total Debt/Tangible Net Worth	Times	0.58	0.25	0.50
PBDIT/Interest	Times	1.53	1.66	1.46
Total Debt/PBDIT	Times	3.19	1.44	1.96
Gross Current Assets (Days)	Days	182	232	181

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
09-Jan-18	Cash Credit	Long term	5.00	ACUITE BBB-/Stable (Assigned)
	Secured Overdraft	Long term	10.00	ACUITE BBB-/Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ Issuer not co-operating*
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+ Issuer not co-operating*

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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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