Press Release
JML Marketings Private Limited
July 25, 2023
Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	88.65	ACUITE D | Reaffirmed | Issuer not co-operating*	-
Bank Loan Ratings	3.35	-	ACUITE D | Reaffirmed | Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	92.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE D' (read as ACUITE D)** and the short-term rating of **'ACUITE D' (read as ACUITE D)** on the Rs. 92.00 crore bank facilities of JML Marketings Private Limited (JMLMPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

Allahabad based, JML Marketings Private Limited (the erstwhile Jagannath Madan Lal) was established as a proprietorship firm in 1950 and converted to private limited in 2002 and promoted by Mr. Kimti Lal Arora (Director) and Mr. Anil Arora (Managing Director). The company is engaged in the manufacturing, packaging and trading of edible oil - mustard, refined, vanaspati and edible vegetable oil at Allahabad. It sells its products under the Fit N lite, Sarson Lite and Lite Drop brand names. The installed capacity stands at 7560000 kgs. The company generates around 70 per cent revenue from manufacturing and 30 per cent from trading. Besides, JML also has sole distributorship of the Fortune Brand of edible oils (Adani Wilmar Limited) for Allahabad, Varanasi, Ghaziabad, Jabalpur and Amritsar.

Non-cooperation by the issuer/borrower:

Acuité 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.

Acuité 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 Acuité'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). Acuité endeavored 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.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 18 (Actual)	FY 17 (Actual)
Operating Income	Rs. Cr.	439.99	395.49
PAT	Rs. Cr.	5.53	4.41
PAT Margin	(%)	1.26	1.11
Total Debt/Tangible Net Worth	Times	1.71	1.67
PBDIT/Interest	Times	2.06	2.33

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

- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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, Acuité 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
26 Apr 2022	Bank Guarantee	Short Term	3.35	ACUITE D (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	8.00	ACUITE D (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	80.65	ACUITE D (Downgraded and Issuer not co-operating*)
01 Nov 2021	Bank Guarantee	Short Term	3.35	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	80.65	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	8.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
30 Jul 2020	Cash Credit	Long Term	80.65	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.35	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	8.00	ACUITE BB (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	3.35	ACUITE D | Reaffirmed | Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	80.65	ACUITE D | Reaffirmed | Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	8.00	ACUITE D | Reaffirmed | Issuer not co-operating*

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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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