

Press Release

JAMKASH VEHICLEADES PRIVATE LIMITED

April 18, 2024

Rating Downgraded and Issuer not co-operating



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	97.04	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	21.20	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	118.24	-	-

Rating Rationale

ACUITE has downgraded the long-term rating of 'ACUITE BBB' (read as ACUITE triple B) to ACUITE BB+ (read as ACUITE double B plus) and the short-term rating of 'ACUITE A3+' (read as ACUITE A three plus) to ACUITE A4+ (read as ACUITE A four plus) on the Rs.118.24 Cr. bank facilities of Jamkash Vehicleades Private Limited (JVPL) the downgrade is on account of information risk. The rating is now being flagged as "Issuer Not Cooperating" in line with existing SEBI regulations and policy in respect of 'What Constitutes Non-Cooperation' of Acuite.

About the Company

Incorporated in 1993, Jamkash Vehicleades Private Limited (JVPL), is an authorised dealer for all passenger cars of Maruti Suzuki India Limited (MSIL) in Jammu and Kashmir. It currently operates with 30 sales, service and spares (3S) showrooms of MSIL passenger vehicles in the state. The company has been associated with MSIL since 1995 and is one of its major dealers in North India. The company is promoted by Mr. Devender Rana and Mrs Gunjan Rana. JVPL has fully equipped workshops, customer care and body shop.

The Body shop is the first of its kind in North Region and has been awarded "The Best Body Shop" in All India Dealer's Conference of Maruti Suzuki India Ltd held at Paris in the year 2005.

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 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 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.

Rating Sensitivities

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 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	455.46	401.27
PAT	Rs. Cr.	6.15	7.37
PAT Margin	(%)	1.35	1.84
Total Debt/Tangible Net Worth	Times	1.75	1.79
PBDIT/Interest	Times	1.88	2.04

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.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
19 Jan 2023	Bank Guarantee (BLR)	Short Term	21.20	ACUITE A3+ (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	8.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	60.00	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	3.86	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	12.00	ACUITE BBB Stable (Assigned)
	Proposed Cash Credit	Long Term	0.83	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	2.35	ACUITE BBB Stable (Assigned)
	Channel/Dealer/Vendor Financing	Long Term	10.00	ACUITE BBB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
J&K Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	21.20	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
J&K Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	60.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	8.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Axis Bank	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.35	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
J&K Bank	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.83	ACUITE BB+ Downgraded Issuer not co-

	appl.							operating* (from ACUITE BBB)
J&K Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.86	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)

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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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