

Press Release

Jumps Auto Industries Limited

14 February, 2018



Rating Update

Total Bank Facilities Rated*	Rs.24.37 Cr
Long Term Rating (Indicative)	SMERA BB+ Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA BB+** (read as SMERA double B plus) and short term rating of '**SMERA A4+**' (read as SMERA A four plus) on the Rs. 24.37 crore bank facilities of Jumps Auto Industries Limited (Jumps). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA 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 SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smerra.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smerra.in/criteria-default.htm>
- Financial Ratios and Adjustments: <https://www.smerra.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Jumps, incorporated in 1999 is a Gurgaon based company which became a public limited company in 2004. The company is engaged in manufacturing and exporting of auto electric components for commercial vehicles, tractors and stationary engines. It caters to original equipment manufacturers (OEMs), Tier I suppliers and the aftermarket. The company's product range includes starter motors, alternators, solenoid switches, and armatures to name a few.

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Jumps, through its wholly owned German subsidiary viz. Bhavya Jumps GmbH, acquired 100 per cent stake in Honasco Kunststofftechnik GmbH & Co KG (Honasco), for Euro 3 million (~Rs.24.00 crore) in Q1CY2015. The deal was funded through a term loan of Euro 2.4 million (~Rs.18.57 crore) and promoter contribution of Euro 0.60 million (~Rs.5.43 crore). Honasco, a limited liability partnership concern, manufactures injection moulded plastic parts and is a Tier II supplier for the auto industry. The firm mainly sells its products in Germany.

Jumps (standalone) reported profit after tax (PAT) of Rs.0.63 crore on operating income of Rs.36.89 crore for FY2016-17, as compared with PAT of Rs. 0.28 crore on operating income of Rs. 34.83 crore in the previous year.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
9 th September 2016	Cash Credit	Long term	3.87 (enhanced from Rs. 2.80 crore)	SMERA BB+/Stable (Reaffirmed)
	Term loan	Long term	17.5 (reduced from Rs. 18.57 crore)	SMERA BB+/Stable (Reaffirmed)
	Proposed Shipment Credit	Short term	3.00	SMERA A4+ (Reaffirmed)
5 th June 2015	Cash Credit	Long term	2.80	SMERA BB+/Stable (Assigned)
	Term loan	Long term	18.57	SMERA BB+/Stable (Assigned)
	Proposed Shipment Credit	Short term	3.00	SMERA A4+ (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	3.87	SMERA BB+ Issuer not co-operating*
Term loan	NA	NA	NA	17.5	SMERA BB+ Issuer not co-operating*
Proposed Shipment Credit	NA	NA	NA	3.00	SMERA A4+ Issuer not co-operating*

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

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ABOUT SMERA

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