

Jammu Automart Private Limited

November 22, 2021

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.00	CARE B; ISSUER NOT COOPERATING* (Single B ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	12.00 (Rs. Twelve Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated November 26, 2020, placed the rating(s) of Jammu Automart Private Limited (JAPL) under the 'issuer non-cooperating' category as JAPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. JAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 12, 2021, October 22, 2021 and November 01, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [November 26, 2020](#).

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Jammu Automart Private Limited (erstwhile known as K. C. Jammu Automart Private Limited) (KCPL) was incorporated in 2008 by Mr.Raju Chowdhary, Mr.Ankur Mahajan and Mr. Sanjay Mahajan. KCPL is the authorized automobile dealer of Hyundai Motor India Limited (HMIL) for its passenger cars segment. KCPL deals in complete range of passenger vehicles manufactured by HMIL like, EON, Santro, i10, i20, Verna etc. The company has its showrooms (3S facilities i.e. Sales, Service and Spares) located in Jammu. The showroom has attached workshop facility for the post sales services of cars. The group entitles of KCPL include 'K. C. Automart Private Limited' and 'K.C. Motors' which are running dealership for HMIL and General Motors respectively in Jammu and Kashmir Region. Further, other group entitles i.e. 'Tawi Chemical industries' is engaged into the business of steel products manufacturing and 'K.C. Education Society' is into education business.

Brief financials of JAPL are tabulated below:

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	153.87	171.35
PBILDT	2.68	3.01
PAT	0.70	0.70
Overall gearing (times)	5.60	4.84
Interest coverage (times)	0.98	0.01

A: Audited

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Status of non-cooperation with previous CRA: CRISIL has conducted the review on the basis of best available information and classified HSSBL as “Not Co-operating” vide its press release dated August 31, 2021.

Brickwork Ratings CRISIL has conducted the review on the basis of best available information and classified HSSBL as “Not Co-operating” vide its press release dated October 14, 2020.

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO: Not Applicable

Rating History for last three years: Please refer Annexure-2

Complexity level of various instruments rated for this company: Annexure 3

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits		-	-	-	12.00	CARE B; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Working Capital Limits	LT	12.00	CARE B; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (26-Nov-20)	1)CARE B+; ISSUER NOT COOPERATING* (03-Sep-19)	1)CARE BB-; ISSUER NOT COOPERATING* (11-Jun-18)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Working Capital Limits	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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