

JK Tyre & Industries Limited

April 09, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial paper Issue	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding ratings of 'CARE A1+ [A One Plus] assigned to the Standalone Commercial paper issue of JK Tyre Industries Limited with immediate effect. The above action has been taken at the request of JK Tyre Industries Limited on intimation that no amount is outstanding against the CARE rated facilities.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

JKTI, the flagship company of the JK group, is headed by Dr R P Singhania as its chairman and managing director. It is a one of the leading tyre manufacturers in India and amongst the top 25 manufacturers in the world with a wide range of products catering to diverse business segments that includes Truck/Bus, LCV (Light commercial vehicles), Passenger Cars, MUV (Multi utility vehicles) and Tractors. JKTI has a global presence in 100 countries with nine plants in India and three in Mexico, with total consolidated capacity of 31.7 million tyres per annum.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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.

Analyst Contact:

Name: Gaurav Dixit

Tel: 011- 4533 3235

Mobile: 9717070079

Email: gaurav.dixit@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

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.

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

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper	-	-	-	0.00	Withdrawn

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based-Long Term	LT	1550.00	CARE A+; Negative	-	1)CARE A+; Negative (05-Oct-18)	1)CARE A+; Stable (11-Aug-17) 2)CARE AA-; Negative (05-Apr-17)	1)CARE AA-; Stable (01-Dec-16) 2)CARE AA- (22-Sep-16)
2.	Non-fund-based - ST-BG/LC	ST	1406.02	CARE A1+	-	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)	1)CARE A1+ (01-Dec-16) 2)CARE A1+ (22-Sep-16)
3.	Non-fund-based - LT/ ST-BG/LC	LT/ST	350.00	CARE A+; Negative / CARE A1+	-	1)CARE A+; Negative / CARE A1+ (05-Oct-18)	1)CARE A+; Stable / CARE A1+ (11-Aug-17) 2)CARE AA-; Negative / CARE A1+ (05-Apr-17)	1)CARE AA-; Stable / CARE A1+ (01-Dec-16) 2)CARE AA- / CARE A1+ (22-Sep-16)
4.	Term Loan-Long Term	LT	2108.98	CARE A+; Negative	-	1)CARE A+; Negative (05-Oct-18)	1)CARE A+; Stable (11-Aug-17) 2)CARE AA-; Negative (05-Apr-17)	1)CARE AA-; Stable (01-Dec-16) 2)CARE AA- (22-Sep-16) 3)CARE AA- (14-Jun-16)
5.	Fund-based - ST-Term loan	ST	100.00	CARE A1+	-	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+	1)CARE A1+ (01-Dec-16) 2)CARE A1+

							(05-Apr-17)	(22-Sep-16)
6.	Commercial Paper- Commercial Paper (Carved out)	ST	900.00	CARE A1+	-	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)	1)CARE A1+ (16-Feb-17) 2)CARE A1+ (21-Dec-16) 3)CARE A1+ (01-Dec-16) 4)CARE A1+ (22-Sep-16)
7.	Commercial Paper	ST	-	-	-	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)	1)CARE A1+ (01-Dec-16) 2)CARE A1+ (22-Sep-16) 3)CARE A1+ (04-May-16)
8.	Fixed Deposit-FD (Long- term)/ FD (Short-term)	LT/ST	140.00	CARE A+; Negative / CARE A1+	-	1)CARE A+; Negative / CARE A1+ (05-Oct-18)	1)CARE A+ (FD); Stable / CARE A1+ (FD) (11-Aug-17) 2)CARE AA- (FD); Negative / CARE A1+ (FD) (05-Apr-17)	1)CARE AA- (FD); Stable / CARE A1+ (FD) (01-Dec-16) 2)CARE AA- (FD) / CARE A1+ (FD) (22-Sep-16) 3)CARE AA- (FD) / CARE A1+ (FD) (04-May-16)

CONTACT**Head Office Mumbai**

Ms. Meenal Sikchi
 Cell: + 91 98190 09839
 E-mail: meenal.sikchi@careratings.com

Ms. Rashmi Narvankar
 Cell: + 91 99675 70636
 E-mail: rashmi.narvankar@careratings.com

Mr. Ankur Sachdeva
 Cell: + 91 98196 98985
 E-mail: ankur.sachdeva@careratings.com

Mr. Saikat Roy
 Cell: + 91 98209 98779
 E-mail: saikat.roy@careratings.com

CARE Ratings Limited

(Formerly known as Credit Analysis & Research Ltd.)

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

Tel: +91-22-6754 3456 | Fax: +91-22-6754 3457 | E-mail: care@careratings.com**AHMEDABAD**

Mr. Deepak Prajapati
 32, Titanium, Prahaladnagar Corporate Road,
 Satellite, Ahmedabad - 380 015
 Cell: +91-9099028864
 Tel: +91-79-4026 5656
 E-mail: deepak.prajapati@careratings.com

BENGALURU

Mr. V Pradeep Kumar
 Unit No. 1101-1102, 11th Floor, Prestige Meridian II,
 No. 30, M.G. Road, Bangalore - 560 001.
 Cell: +91 98407 54521
 Tel: +91-80-4115 0445, 4165 4529
 Email: pradeep.kumar@careratings.com

CHANDIGARH

Mr. Anand Jha
 SCF No. 54-55,
 First Floor, Phase 11,
 Sector 65, Mohali - 160062
 Chandigarh
 Cell: +91 85111-53511/99251-42264
 Tel: +91- 0172-490-4000/01
 Email: anand.jha@careratings.com

CHENNAI

Mr. V Pradeep Kumar
 Unit No. O-509/C, Spencer Plaza, 5th Floor,
 No. 769, Anna Salai, Chennai - 600 002.
 Cell: +91 98407 54521
 Tel: +91-44-2849 7812 / 0811
 Email: pradeep.kumar@careratings.com

COIMBATORE

Mr. V Pradeep Kumar
 T-3, 3rd Floor, Manchester Square
 Puliakulam Road, Coimbatore - 641 037.
 Tel: +91-422-4332399 / 4502399
 Email: pradeep.kumar@careratings.com

HYDERABAD

Mr. Ramesh Bob
 401, Ashoka Scintilla, 3-6-502, Himayat Nagar,
 Hyderabad - 500 029.
 Cell : + 91 90520 00521
 Tel: +91-40-4010 2030
 E-mail: ramesh.bob@careratings.com

JAIPUR

Mr. Nikhil Soni
 304, Pashupati Akshat Heights, Plot No. D-91,
 Madho Singh Road, Near Collectorate Circle,
 Bani Park, Jaipur - 302 016.
 Cell: +91 – 95490 33222
 Tel: +91-141-402 0213 / 14
 E-mail: nikhil.soni@careratings.com

KOLKATA

Ms. Priti Agarwal
 3rd Floor, Prasad Chambers, (Shagun Mall Bldg.)
 10A, Shakespeare Sarani, Kolkata - 700 071.
 Cell: +91-98319 67110
 Tel: +91-33- 4018 1600
 E-mail: priti.agarwal@careratings.com

NEW DELHI

Ms. Swati Agrawal
 13th Floor, E-1 Block, Videocon Tower,
 Jhandewalan Extension, New Delhi - 110 055.
 Cell: +91-98117 45677
 Tel: +91-11-4533 3200
 E-mail: swati.agrawal@careratings.com

PUNE

Mr. Pratim Banerjee
 9th Floor, Pride Kumar Senate,
 Plot No. 970, Bhamburda, Senapati Bapat Road,
 Shivaji Nagar, Pune - 411 015.
 Cell: +91-98361 07331
 Tel: +91-20- 4000 9000
 E-mail: pratim.banerjee@careratings.com

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