

Press Release

JPM Exports Private Ltd.

February 17, 2020

Ratings

Sl. No.	Instrument/Facility	Amount (Rs. Crores)	Rating Assigned	Rating Action*
1.	Long Term Bank Facilities	50.00 (including proposed limits of Rs.5.00 crore)	IVR D (IVR D) Issuer Not Cooperating*	Rating reaffirmed at IVR D (IVR Single D) and moved to Issuer not cooperating category
	Total	50.00		

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of lack of adequate information with respect to JPM Exports Private Limited performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide letter communications dated August 28, 2019, September 19, 2019, and October 28, 2019 and December 01, 2019, and December 27, 2019 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for the surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the bank loan facilities of company aggregating to Rs.50.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as **IVR D ; Issuer Not Co-operating; Based on best available information. (IVR Single D; Issuer Not Co-operating; Based on best available information).**

Accordingly, the lenders, investors and other users of this ratings are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

JPM Exports Pvt Ltd, incorporated on August 19, 2009, is manufacturer of industrial work wear and casual wear in India, based out of Kolkata. The company is a Government registered Star Export House. The company also has international accreditations and certifications like ISO 9001:2015, SA 8000:2014 and Oeko Tex Standard 100 for its industrial garments.

JPM is promoted by Mr. Dilip Madhogaria who has over 20 years of experience in the industry. His nephew, Mr. Pankaj Madhogaria is Executive Director in the company since its inception. Since FY16, the company shifted to an assembly line production process on lease basis in Barasat, West Bengal on a production area of 60,000 sq. ft. The Barasat facility is operating at 72% of its production capacity in FY18. From FY16 onwards it has also entered the Formal/casual wear segment to diversify the product range and client base. It also manufactures Ready-made garments for retailers on make to order basis.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

S. No.	Name of Instrument /Facilities	Current Rating (Year 2019-20)			Rating History for the past 3 years			
		Type	Amount o/s (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-16	Date(s) & Rating(s) assigned in 2016-17
1.	Long Term Fund Based Facilities - CC Facility	Long Term	50.00 (including proposed limits of Rs.5.00 crore)	IVR D/(IVR D)ISSUER NOT COOPERATING* (Rating moved to Issuer Not Cooperating category)	IVR D/(IVR Single D)	IVR BBB-/Stable Outlook (IVR Triple B Minus with Stable Outlook) June 06, 2018	--	--

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Rating Analyst:

Name: Ms Himani Singhal Tel: (022) 62396023 Email: hsinghal@infomerics.com	Name: Mr. Amit Bhuwania Tel: (022) 62396023 Email: abhuania@infomerics.com
---	---

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long

experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an ‘as is where is’ basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility(Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Facilities – Cash Credit	-	-	-	50.00 (including proposed limits of Rs.5.00 crore)	IVR D (IVR D) Issuer Not Cooperating*

**Issuer did not cooperate; based on best available information*