



Infomerics Valuation And Rating Pvt. Ltd.

Press Release

JPM Exports Private Limited

October 24, 2018

Rating

Instrument / Facility	Amount (Rs. Crores)	Rating	Rating Action
Long Term Fund Based Limits	50.00 (including proposed limits of Rs.5.00 crore)	IVR D (IVR D)	Revised from IVR BBB- with Stable Outlook (IVR Triple B Minus with Stable Outlook)

Details of Facility are in Annexure 1

Detailed Rationale

The rating takes in to account the delays in debt servicing by the company. The liquidity profile of the company continues to remain stressed.

List of Key Rating Drivers

- Delays in debt servicing

Detailed Description of Key Rating Drivers

Delays in debt servicing

There have been delays in debt servicing of the company in the recent past.

Analytical Approach & Applicable Criteria

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-Financial Sector)

Criteria on Default Recognition and Post-Default Curing Period

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



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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: Not applicable

Any other information: Nil

Rating History for last three years:

Sl. No.	Name of Instrument /Facilities	Current Rating (Year 2018-19)				Rating History for the past 3 years			
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17	Date(s) & Rating(s) assigned in 2015-16	
1.	Long Term Fund Based Facilities – Cash Credit	Long Term	50.00 (including proposed limits of Rs.5.00 crore)	IVR D (IVR 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.

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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. Crores)	Rating Assigned/ Outlook
Long Term Fund Based Facilities – Cash Credit	-	-	-	50.00 (including proposed limits of Rs.5.00 crore)	IVR D (IVR D)