

JAK Group Private Limited

August 14, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based	5.00	5.00	[ICRA]BB+ (Stable); Withdrawn
Short-term fund-based	40.00	40.00	[ICRA]A4+; Withdrawn
Total	45.00	45.00	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BB+ (Stable) (pronounced ICRA double B plus with Stable outlook) and short-term rating of [ICRA]A4+ (pronounced ICRA A four plus) assigned to the Rs. 45.00-crore bank facilities of JAK Group Private Limited (JAK).

Rationale

The ratings are withdrawn in accordance with ICRA's policy on withdrawal and at the request of the company, based on the no objection certificate provided by its banker.

Outlook

NA

Key rating drivers

Credit strengths

NA

Credit challenges

NA

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[ICRA policy on withdrawal and suspension of credit rating](#)

About the company:

Established in 2002, as a proprietorship concern, it was converted into a private limited company in April 2015 with the title "JAK Group Private Limited". JAK is a manufacturer and exporter of ladies' handbag, men's wallet and belts. The manufacturing process is carried out at its three manufacturing facilities located in Gurugram, Haryana. JAK also added a line for in-house leather finishing in FY2016.

Key financial indicators (audited)

	FY2016	FY2017
Operating Income (Rs. crore)	136.58	144.47
PAT (Rs. crore)	2.80	3.61
OPBDIT/OI (%)	7.05%	6.09%
RoCE (%)	11.26%	13.59%
Total Debt/TNW (times)	7.46	3.31
Total Debt/OPBDIT (times)	6.21	4.38
Interest coverage (times)	2.57	3.06

Status of non-cooperation with previous CRA

Brickwork Ratings has reviewed on March 22, 2018 for the bank loan facilities of Rs. 42.94 crore of JAK Group based on best available information, as the issuer did not cooperate. The ratings are Issuer did not Co-operate; BWR BB (Stable)/ Issuer did not Co-operate; BWR A4+.

Any other information: None

Rating history for last three years

Chronology of Rating History for the past 3 years								
Current Rating (FY2019)								
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating August 2018	Date & Rating in FY2018 November 2017	Date & Rating in July 2017	Date & Rating in FY2017	Date & Rating in FY2016
1 Foreign Currency Term Loan	Long Term	5.00		[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BB+ (Stable)	-	-
2 Pre-Shipment Credit in Foreign Currency	Short Term	40.00		[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A4+	-	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Foreign Currency Term Loan	-	-	-	5.00	[ICRA]BB+ (Stable); Withdrawn
NA	Pre-Shipment Credit in Foreign Currency	-	-	-	40.00	[ICRA]A4+; Withdrawn

Source: JAK Group Private Limited

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About ICRA Limited:

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