

RATING RATIONALE

31 Mar 2026

LMJ Services Ltd

Brickwork Ratings assigns the long-term rating of “BWR BBB/Stable” & upgrades the short-term rating to BWR A3, removing from the ISSUER NOT COOPERATING* category for the facilities aggregating to Rs. 190.30 Crs and withdrawal of the previously rated facilities of LMJ Services Ltd.

Particulars :

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (24-April-2025)	Present
Fund Based					
Cash Credit - Sanctioned	0.00	30.00	Long Term	-	BWR BBB /Stable Assignment
Overdraft - (E-SCF Facility) - Sanctioned	0.00	20.00		-	BWR BBB /Stable Assignment
Working Capital(Dealer Finance) - Sanctioned	0.00	20.00		-	BWR BBB /Stable Assignment
Term loan(LAP) - Outstanding	0.00	24.80		-	BWR BBB /Stable Assignment
Cash Credit - Sanctioned	13.00	0.00	Long Term	BWR BB- /Stable Continues to be in ISSUER NOT COOPERATING*category/ Downgraded	Withdrawal
GECL - Outstanding	17.85	0.00			Withdrawal
Term Loan - Outstanding	10.29	0.00			Withdrawal
Electronic Dealer Finance System (e-DFS) -Sanctioned	33.35	95.00	Short Term	BWR A4 Continues to be in ISSUER NOT COOPERATING*category/ Reaffirmed	BWR A3 Upgrade and Removed From the ISSUER NOT COOPERATING* category
Inventory Funding Facility-Sanctioned	1.19	0.35			BWR A4 Continues to be in ISSUER NOT COOPERATING*category/ Reaffirmed
Inventory Funding Facility-Sanctioned	2.00	0.00			
<i>Sub Total</i>	<i>77.68</i>	<i>190.15</i>			

Non-Fund Based					
Bank Guarantee - Sanctioned	0.81	0.15	Short Term	BWR A4 Continues to be in ISSUER NOT COOPERATING*category/ Reaffirmed	BWR A3 Upgrade and Removed From the ISSUER NOT COOPERATING* category
<i>Sub Total</i>	<i>0.81</i>	<i>0.15</i>			
Grand Total	78.49	190.30	(Rupees One Hundred Ninety Crores and Thirty Lakhs Only)		

#Please refer to the BWR website www.brickworkratings.com for the definition of the ratings.

**Details of Bank Loan facilities, consolidation or instruments are provided in Annexure

RATING ACTION / OUTLOOK

Brickwork Ratings assigns the long-term rating of “BWR BBB/Stable” & upgrades the short-term rating to BWR A3, removing from the ISSUER NOT COOPERATING* category aggregating to Rs. 190.30 Crs and withdrawal of the previously rated facilities of LMJ Services Ltd

The rating considers the Long Operational Track Record and Extensive Experience of the Directors, Moderate Financial Risk profile and Strong OEM Backing with Long-Standing Relationship. However, the ratings are constrained by the Cyclical and competitive nature of the auto industry & Limited bargaining power with the principal automobile manufacturer.

The rating outlook is assigned as “Stable,” reflecting BWR’s expectation that LMJ Services Ltd business risk profile will remain steady over the medium term. A stable outlook indicates a low probability of a rating change during this period. The outlook may be revised to “Positive” if the company achieves sustained improvement in revenue and profitability margins, while it may be revised to “Negative” in the event of a deterioration in its financial risk profile.

KEY RATING DRIVERS

Credit Strengths:-

- **Long Operational Track Record and Extensive Experience of the Directors :**

All the Directors belong to the same family and, backed by their long-standing experience, the management is expected to have a clear succession plan and structured governance framework in place, ensuring business continuity. The promoters’ rich industry experience has enabled the company to develop strong marketing capabilities and maintain healthy relationships with various reputed customers and suppliers.

- **Moderate Financial Risk profile :**

Total Operating Income increased from ₹329 Cr in FY23 to ₹422.85 Cr in FY24, and further to ₹459.62 Cr in FY25, indicating consistent revenue growth and expanding scale of operations.

OPBDIT rose steadily from ₹15.50 Cr in FY23 to ₹22.63 Cr in FY24 and ₹25.34 Cr in FY25, reflecting good operational efficiency of the company.

PAT improved consistently from ₹3.30 Cr in FY23 to ₹4.13 Cr in FY24 and further to ₹4.71 Cr in FY25, reflecting steady improvement and steady profitability over the years.

The Current Ratio stood at 1.27x in FY23 and declined to 1.20x in FY24 and further decreased to 1.19x in FY25, primarily due to an increase in short-term borrowings, while still remaining within

a comfortable range to support working capital requirements.

Tangible Net Worth increased steadily from ₹37.86 Cr in FY23, further rising to ₹43.98 Cr in FY24 and reaching ₹46.69 Cr in FY25, driven by healthy retained earnings.

ISCR & DSCR are at comfortable levels of 1.57x in FY25 & 1.30x in FY25. The company is majorly long-term debt-free with no major fixed repayment obligations going forward.

- **Strong OEM Backing with Long-Standing Relationship** - Presence of almost two decades from Year 1983 in the automotive dealership business has enabled the promoters to maintain a healthy relationship with the key supplier, Maruti Suzuki India Ltd (MSIL; 'Crisil AAA/Stable/Crisil A1+'), along with currently operates 39 showrooms, Maruti Driving School, 8 workshops and 4 stockyards in western Rajasthan. and along with the dealership of Ashok Leyland for Heavy Commercial Vehicle & two wheelers of Bajaj Auto Ltd in Jodhpur of Rajasthan and also trades in agricultural commodities.

Credit Risks:-

- **Exposure to Raw Material price volatility:** The company remains exposed to fluctuations in the prices of key raw materials, particularly soybeans, which are subject to global market trends, seasonal availability, and climatic conditions. Volatility in commodity prices can directly impact the company's cost structure and profitability, given the limited ability to fully pass on cost increases to customers in a competitive market.
- **Exposure to intense competition:** The edible oil industry is highly fragmented and competitive, with many small, medium, and large players in both organized and unorganized sectors. Regional and local brands increase price-based competition, lower profit margins, and pressure brand differentiation. The dominance of unorganized players, benefiting from lower overhead costs, further intensifies competition.

ANALYTICAL APPROACH - Standalone

To arrive at its ratings, BWR has considered the standalone approach and has applied its rating methodology.

RATING SENSITIVITIES

Going forward, the company's ability to improve the scale of operations, improve and maintain profitability will be the key rating sensitivities.

Positives:

A rating upgrade could be driven by achieving sustained growth in revenues as per the projections, along with consistent improvement in profitability margins, with the Net margin rising above 1.05% on a sustained basis, along with the TNW rising above Rs. 53.00 Crs, along with TOL/TNW decreasing below 3.05x.

Negatives:

A rating downgrade may be triggered by an inability to achieve the projected revenue and profit growth, with the net margin dropping below 0.90%.

LIQUIDITY INDICATORS - Adequate

The company reported cash and bank balances of ₹1.91 crore as on FY 25. The current ratio stood at 1.19 times in FY25, indicating comfortable short-term liquidity.

The company's average utilization of working capital limits during the last 12 months remained moderate, at 82.36%.

The company generated net cash accruals of ₹8.70 crore in FY25, against the current portion of long-term debt (CPLTD) of 7.11Crs in FY25; however, the major loans have already been fully paid & closed & going forward, the company has 1.48 Crs of CPLTD projected against the projected net cash accrual of Rs. 10.26 Crs in FY26.

The firm's debt protection metrics remained Moderate, with an ISCR of 1.57 times and a DSCR of 1.30 times in FY25.

Considering the above factors, the company's liquidity position is assessed as Adequate.

ABOUT THE ENTITY

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Automobile and Auto Components	Automobiles	Auto Dealer

LMJ Services Limited, incorporated in February 1983, with its registered office at 2, Transport Depot Road, Kolkata, is an authorized dealer of Maruti Suzuki India Ltd (MSIL) operating across four channels—Arena (mass market), Nexa (premium segment), Commercial, and True Value (pre-owned cars). The company is also engaged in the dealership of two-wheelers of Bajaj Auto Ltd in Jodhpur, Rajasthan, and holds a dealership of Ashok Leyland for heavy commercial vehicles, along with trading in agricultural commodities.

The company operates an extensive network comprising 39 contemporary showrooms, 3 Maruti Driving Schools, 8 well-equipped workshops, and 4 stockyards, spread across western Rajasthan.

The company is managed by experienced directors, namely Sarang Jain, Nilima Jain, Anita Jain, and Sanjay Jain. LMJ Services Limited is a part of the LMJ Group, which has diversified operations across plantations, agricultural processing, logistics, automobile dealerships, and international trading.

ESG PROFILE

The company demonstrates an evolving ESG profile supported by satisfactory compliance with environmental and labour regulations, and an established operating track record.

Environmental: The company appears to have a relatively moderate environmental footprint typical of service-oriented firms, with impacts mainly arising from energy use, transportation, and office operations.

Social: The company's social performance is closely tied to its workforce and customer interactions, making employee well-being, training, and service quality critical.

Governance: Governance at LMJ Services Ltd likely requires greater formalization, particularly in areas such as ethics policies, compliance systems, and risk management.

KEY FINANCIAL INDICATORS (Standalone)

Key Parameters	Unit	FY 23	FY 24	FY 25
Result Type		Audited	Audited	Audited
Operating Income	Rs. Crs	329.00	422.85	459.62
EBITDA	Rs. Crs	15.50	22.63	25.34
PAT	Rs. Crs	3.30	4.13	4.71
Tangible Net Worth	Rs. Crs	37.86	43.98	46.69

Total Debt/Tangible Net Worth	Times	2.55	3.17	3.34
Current Ratio	Times	1.27	1.20	1.19

KEY COVENANTS OF THE FACILITY RATED

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

STATUS OF NON-COOPERATION WITH PREVIOUS CRA

Crisil Ratings reaffirmed the ratings at Crisil B/Stable under Issuer Not Cooperating* Category for the bank loan facilities of Rs. 60.00 Crs vide press release dated 21 January 2026.

ANY OTHER INFORMATION

No Other Information.

RATING HISTORY FOR THE LAST THREE YEARS (including withdrawal & suspension)

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	94.80	BWR BBB/Stable (Assignment)	24Apr 2025	BWR BB-/Stable (Continues to be in ISSUER NOT COOPERATING* category/Down graded)	29Mar 2024	BWR BBStable (Continues to be in ISSUER NOT COOPERATING* category/D owngraded)	14Mar 2023	BWR BB+ Stable (ISSUER NOT COOPERATING * /Downgrade)
Fund Based	ST	95.35	BWR A3 Upgrade and Removed From the ISSUER NOT COOPERATING * category	24Apr 2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	29Mar 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/D owngraded)	14Mar 2023	BWR A4+ (ISSUER NOT COOPERATING * /Downgrade)
Non-Fund Based	ST	0.15	BWR A3 Upgrade and Removed From the ISSUER NOT COOPERATING * category (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	24Apr 2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	29Mar 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/D owngraded)	14Mar 2023	BWR A4+ (ISSUER NOT COOPERATING * /Downgrade)

Grand Total	190.30	(Rupees One Hundred Ninety Crores and Thirty Lakhs Only)
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Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to financial ratios](#)
- [Trading Entities](#)
- [Short Term Debt](#)
- [BWR Withdrawal Policy](#)
- [Policy on Issuer Non-Cooperation](#)

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LMJ Services Ltd

**ANNEXURE-I
Details of Bank Facilities rated by BWR**

Name of the Bank	Facilities	Tenure	Amount (Rs. Cr)	Complexity of the Instrument
Canara Bank	Cash Credit - Sanctioned	Long Term	30.00	Simple
Union Bank of India	Working Capital(Dealer Finance) - Sanctioned		20.00	Simple
Union Bank of India	Term loan(LAP) - Outstanding		24.80	Simple
IDBI	Overdraft - (E-SCF Facility) - Sanctioned		20.00	Simple
State Bank of India	Electronic Dealer Finance System (e-DFS) -Sanctioned	Short Term	95.00	Simple
	Term Loan - Outstanding	Long Term	0.00	Simple
	GECL - Outstanding	Long Term	0.00	Simple
HDFC Bank	Inventory Funding Facility-Sanctioned	Short Term	0.35	Simple
	Bank Guarantee - Sanctioned	Short Term	0.15	Simple
Rajasthan Marudhara Gramin Bank	Cash Credit - Sanctioned	Long Term	0.00	Simple
Tata Capital Financial Services Limited	Inventory Funding Facility-Sanctioned	Short Term	0.00	Simple
TOTAL (Rupees One Hundred Ninety Crores and Thirty Lakhs Only)			190.30	

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**ANNEXURE-II
INSTRUMENT DETAILS**

Instrument	Issue Date	Amount (Rs.Crs)	Coupon Rate (%)	Maturity Date	ISIN Particulars	Complexity of the Instrument
Nil	Nil	Nil	Nil	Nil	Nil	Nil

**ANNEXURE-III
List of entities consolidated**

Name of Entity	% Ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil

Print and Digital Media

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