



## Press Release

### JSR Dynamics Private Limited

July 14<sup>th</sup>, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator (Simple/Complex/Highly complex)
Long Term Bank Facilities	40.00	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Reaffirmed	<a href="#">Simple</a>
Short Term Bank Facilities	60.00	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Reaffirmed	<a href="#">Simple</a>
<b>Total</b>	<b>100.00 (Rupees hundred crore only)</b>				

**Details of Facilities/Instruments are in Annexure 1**

**Facility wise lender details are at Annexure 2**

**Detailed explanation of covenants is at Annexure 3**

#### **Detailed Rationale**

Infomerics Ratings has reaffirmed the ratings to the bank facilities of JSR Dynamics Private Limited (JDPL). The ratings continue to derive strength from extensive experience of promoters and their resourcefulness, diversified product basket, and strong research and development capabilities. However, these rating strengths are partially offset by capital intensive nature of operations and exposure to regulatory risks.

The stable outlook reflects that the company will benefit from the promoter's extensive industry experience and their resourcefulness, as well as the company's product portfolio, along with continued government support.



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### **Key Rating Sensitivities:**

#### **Upward Factors**

- Timely execution of order book which leads to realization of envisaged revenue along with profitability on a sustained basis.
- Effective working capital management with improvement in operating cycle

#### **Downward Factors**

- Decline in order book delivery resulting in lower-than-expected cash accruals.

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Strengths**

- **Promoter's extensive industry experience and their resourcefulness:**

The main promoter Air Marshal Shirish Deo (Retd), a former fighter pilot with over three decades of experience in the defence sector, brings valuable industry insight and strong relationships with key stakeholders. The other promoters add to the company's strength with their industry experience and resourcefulness, supporting its long-term business prospects. To strengthen its capital base, the company issued 2,57,000 Compulsorily Convertible Preference Shares (CCPS) with a face value of ₹10 each. In FY25, it raised ₹167.24 crore through this issuance, which is scheduled to be converted into equity shares after 14 months from the date of issuance.

- **Diversified and niche product basket**

Armed with the technical expertise of the main promoter, the company has been able to develop diversified product offerings in the defence industry. The company manufactures diversified products such as glide bomb, cruise missile, rocket, range extension kit, etc. The products have been developed inhouse by JDPL.

- **Strong research and development capabilities**

JDPL is present in an industry which demands constant innovation and technological advances. Consequently, it is critical for JDPL to adapt to technological advancements



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and absorb imported technologies. To ensure the same, the company has been regularly spending on research and development.

### Key Rating Weaknesses

- **Capital intensive operations**

The operations of manufacturing aerospace and defence related products are capital intensive in nature. Further it also has large working capital requirements arising from high inventory levels of raw materials. The raw material viz. specialised alloy steel, carbon fibre which is mostly imported. JDPL has so far funded the requirements mainly through equity. The efficient working capital management will be important going forward.

- **Exposure to regulatory risks**

JDPL operates in a highly regulated explosives manufacturing industry with high entry barriers. Its operations, therefore, remain vulnerable to any changes in the regulatory framework impacting the industry.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

### **Liquidity – Adequate**

The company has adequate liquidity to pay its debt. The company has cash and cash equivalents of Rs. 40.90 crore as on March 31, 2025, also the average working capital utilization remained low at 64.33 % for 12 months period ending June 2025.



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### **About the Company**

JSR Dynamics Private Ltd. (JDPL) based in Nagpur, Maharashtra and is promoted by Air Marshal Shirish Deo (Retd) in 2018. He has 40 years long stint of servicing the nation through Indian Air Force.

Air Marshal Deo started JDPL in December 2018 with Glide Bombs in four weight categories as the flagship product. Over the years, the company has expanded its product portfolio to include Jet-Powered Bomb, Jet-Powered Loitering Munition, Miniature Ground-Launched Decoy, 122mm Guided Rocket etc.

The company is yet to book revenue as the orders are under process.

### **Financials (Standalone):**

(Rs. crore)		
For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	0.00	0.00
EBITDA	8.69	7.09
PAT	0.06	-2.02
Total Debt	50.52	35.25
Adjusted Tangible Net Worth	36.33	124.99
EBITDA Margin (%)	NM	NM
PAT Margin (%)	5.91	-55.42
Overall Gearing Ratio (x)	1.39	0.28
Interest Coverage (x)	1.83	0.84

\* As per Infomerics Standard

NM: Not Meaningful

**Status of non-cooperation with previous CRA: Nil**

**Any other information: Nil**



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### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					June 20 <sup>th</sup> 2024	-	-
1.	Cash Credit	Long Term	40.00	IVR BBB-/Stable	IVR BBB-/Stable	-	-
3.	Bank Guarantee	Short Term	60.00	IVR A3	IVR A3	-	-

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### About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.



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For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	40.00	IVR BBB-/Stable
Bank Guarantee	-	-	-	60.00	IVR A3

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-JSR-Dynamics-14july25.pdf>

**Annexure 3: Detailed explanation of covenants of the rated Security/facilities:** Not Applicable

**Annexure 4: List of companies considered for consolidated/combined analysis:** Not Applicable

**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](http://www.infomerics.com).