



Press Release

JHV Construction Company Private Limited

December 23rd, 2024

Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	63.94	IVR B+/ Negative Outlook; ISSUER NOT COOPERATING* (IVR B Plus with Negative Outlook; Issuer Not Cooperating*)	IVR BB-/Stable (IVR Double B Minus with Stable Outlook)	Downgraded, outlook revised and Migrated to ISSUER NOT COOPERATING Category	Simple
Short Term Bank Facilities	2.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating*)	IVR A4 (IVR A Four)	Reaffirmed and Migrated to ISSUER NOT COOPERATING Category	Simple
Total	65.94	(Rupees Sixty-Five Crore and Ninety-Four Lakh Only)			

**Issuer not cooperating; Based on best available information*

**Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.
Detailed explanation of covenants is at Annexure 3.**

Ratings

Infomerics Ratings has downgraded the long-term rating to IVR B+ with negative outlook, reaffirmed the short term rating at IVR A4 and migrated under 'ISSUER NOT COOPERATING' category for the bank facilities of the JHV Construction Company Pvt Ltd. The downgrade of ratings is due to non-submission of information and lack of management cooperation for the review of rating.

Detailed Rationale

The aforesaid rating action to the bank facilities of JHV Construction Company Pvt Ltd reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information



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available about the entity is commensurate with its rating and reviews the same as per its policy.

Infomerics Valuation and Rating Private Limited (IVR) had rated the bank loan facilities of JHV Construction Company Pvt Ltd in November 2023. Despite close follow up through telephone calls and mails dated November 28th, 2024, December 02, 2024, December 03, 2024, December 04, 2024, December 05, 2024, December 06, 2024 and concurrently over several phone calls for submission of required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, IVR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating 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. Based upon the same, Infomerics Valuation and Rating Private Limited (IVR) has downgraded the long-term bank facilities to IVR B+ / Negative ISSUER NOT COOPERATING and reaffirmed short term bank facilities at 'IVR A4 / ISSUER NOT COOPERATING'.

Non-Cooperation by Issuer:

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, IVR has to assign the rating based on the best available information. Accordingly, the bank loan facilities of JHV Construction Company Pvt Ltd, aggregating to Rs 65.94 crore have been migrated to 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR B+/ Negative; ISSUER NOT COOPERATING and IVR A4; ISSUER NOT COOPERATING.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Guidelines on what constitute Non-Cooperation by clients](#)



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

[Criteria for assigning rating outlook About the Company](#)

[Instrument/Facility wise Default Recognition & Post-Default Curing Period](#)

About the Company

JHV Construction Pvt. Ltd. was incorporated in 1989. The Company has long experience in setting up real estate projects and have successfully completed several projects in Mumbai. Having developed a strong foothold in construction and real estate, the company has entered into the Hospitality Industry by setting up of a five star hotel property in Varanasi, Uttar Pradesh. The Company has set up 144 rooms hotel in Varanasi, which is under franchise agreement with the Hilton Group. Company has executed franchise agreement with Hilton Hotel for 22-year lease i.e. it would end on year 2041.

Financials (Standalone): Latest financials not available

For the year ended*/As on	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	8.68	10.95
EBITDA	2.04	1.52
PAT	1.52	0.94
Total Debt	53.47	66.06
Adjusted Tangible Net Worth	27.82	34.74
<u>Ratios</u>		
EBITDA Margin (%)	23.45	13.85
PAT Margin (%)	17.49	8.55
Overall Gearing Ratio (x)	1.92	1.90
Interest Coverage	885.35	6.02

**Classification as per Infomerics` standards*

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years:



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Sr. No.	Type of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					November 09 th , 2023		
1.	Fund Based	Long Term	63.94	IVR B+/ Negative/ INC*	IVR BB-/ Stable	-	-
2.	Non Fund Based	Short Term	2.00	IVR A4/ INC*	IVR A4	-	-

**Issuer not cooperating; Based on best available information*

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

For more information visit www.infomerics.com.

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 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



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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.





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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
Long Term Bank Facility - Term Loan	-	-	April 2028	44.97	IVR B+/ Negative/ INC*
Long Term Bank Facility - Term Loan	-	-	April 2028	3.99	IVR B+/ Negative/ INC*
Long Term Bank Facility - Term Loan	-	-	April 2028	9.98	IVR B+/ Negative/ INC*
Long Term Bank Facility - Cash Credit	-	-	-	5.00	IVR B+/ Negative/ INC*
Short Term Bank Facility - Bank Guarantee	-	-	-	2.00	IVR A4/INC*

**Issuer not cooperating; Based on best available information*

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-JHV-Construction-dec24.pdf>

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

Annexure 4: List of companies considered for consolidated 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.