



## Press Release

### JTL Infra Limited

September 19, 2022

#### Ratings

Facilities**	Amount (Rs. crore)	Previous Ratings	Current Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	42.00	IVR A-/Positive Outlook (IVR Single A Minus with Positive Outlook)	IVR BB+; ISSUER NOT COOPERATING* (IVR Double B Plus; ISSUER NOT COOPERATING)	Downgraded and migrated to ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	10.00	IVR A2+ (IVR A Two Plus)	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	Downgraded and migrated to ISSUER NOT COOPERATING category	Simple
<b>Total</b>	<b>52.00</b>	<b>Rupees Fifty Two Crore Only</b>			

\* Issuer not cooperating; Based on best available information

\*\* Details of facilities is given under Annexure I.

#### Ratings

The rating has been downgraded and migrated to 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

#### Detailed Rationale

The rating revision is because of lack of adequate information regarding JTL Infra Limited performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the firm is commensurate with its rating and reviews the same as per its policy.

The rating was due for review in July 2022. IVR took up with issuer to provide required information vide multiple E-mail communications latest by September 13, 2022, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the firm has not provided the same. In the absence of adequate



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information from the firm, IVR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating. IVR has been regularly seeking No default statement (NDS) from the firm and the same has been submitted till date. Hence, on account of inadequate information, IVR is unable to assess the firm'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 firm.

### **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, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating and short-term rating for the bank loan facilities aggregating to Rs. 52.00 crore of JTL Infra Limited have been downgraded and migrated to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term be noted as IVR BB+; ISSUER NOT CO-OPERATING and short term as IVR A4+; ISSUER NOT COOPERATING; based on best available information.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

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

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

### **About the Company**

JTL Infra Limited was incorporated in the year 1991 having registered office in Chandigarh, Punjab. JTL Infra Limited is the flagship company of the Jagan Group which is one of the leading groups in the field of manufacturing of steel pipes & tubes. The Group has two more companies in the same line of business i.e. Chetan Industries Limited and Jagan Industries Private Limited. The Group caters to the domestic market as well as overseas export market.



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JTL Infra Limited is engaged in the manufacturing of black and galvanized ERW steel pipes & tubes, hollow sections and structural steel that are extensively used in major engineering and construction projects. Company has three manufacturing units, two units located in Punjab, and one located in Maharashtra. The Company is a registered start export house. Company is listed on BSE India and Metropolitan Stock Exchange of India.

### Financials (Standalone):

(Rs. crore)

For the year ended*/As on	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	435.76	975.72
EBIDTA	32.79	72.54
PAT	20.06	50.03
Total Debt	63.11	10.29
Tangible Net worth	96.91	157.52
EBIDTA Margin (%)	7.52	7.43
PAT Margin (%)	4.56	5.11
Overall Gearing Ratio (x)	0.65	0.50

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** India Ratings in its press release dated May 18, 2018 has migrated the rating of JTL Infra Limited to "Issuer Not Cooperating" category due to unavailability of adequate information.

**Any other information:** Mr. Bhupinder Nayyar who is a member of the Rating Committee is also on the Board of JTL Infra Limited. However, Mr. Nayyar did not participate in the entire rating exercise, including the rating decision.

### Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (Jul 21, 2021)	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Fund Based – Cash Credit	Long Term	42.00	IVR BB+; ISSUER NOT COOPERATING	IVR A- / Positive	-	-



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2.	Fund Based - PC/PCFC (Sub limit of CC)	Short Term	(15.00)	IVR A4+; ISSUER NOT COOPERATING	IVR A2+	-	-
3.	Non Fund Based- Letter of Credit	Short Term	10.00	IVR A4+; ISSUER NOT COOPERATING	IVR A2+		
4.	Non Fund Based- Bank Guarantee (Interchangeability with LC)	Short Term	(5.00)	IVR A4+; ISSUER NOT COOPERATING	IVR A2+		

### Name and Contact Details of the Rating Analyst:

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



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**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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	42.00	IVR BB+; ISSUER NOT COOPERATING
PC/PCFC (Sub limit of CC)				(15.00)	IVR A4+; ISSUER NOT COOPERATING
Letter of Credit				10.00	IVR A4+; ISSUER NOT COOPERATING
Bank Guarantee (Interchangeability with LC)	-	-	-	(5.00)	IVR A4+; ISSUER NOT COOPERATING

**Annexure 2: List of companies considered for consolidated analysis: Not Applicable.**

**Annexure 3: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/Len-JTL-Infra-sep22.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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).