



Press Release

JTL Infra Limited
(Presently known as JTL Industries Ltd)

November 3, 2023

Ratings

Facilities**	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	42.00	IVR BB (Negative); ISSUER NOT COOPERATING* (IVR Double B; ISSUER NOT COOPERATING)	IVR BB+; ISSUER NOT COOPERATING* (IVR Double B Plus; ISSUER NOT COOPERATING)	Downgraded and Continued in ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	10.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	Downgraded and Continued in ISSUER NOT COOPERATING category	Simple
Total	52.00	Rupees Fifty Two Crore Only			

* Issuer not cooperating; Based on best available information

** Details of facilities is given under Annexure I.

Ratings

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

Detailed Rationale

The rating has been revised due to lack of adequate information regarding JTL Infra Limited and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The rating was due for review in Sep 2023. IVR took up with issuer to provide required information vide multiple e-mail communications latest by October 27, 2023, and through telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence, the rating has been revised and continues to be in Issuer Not Cooperating category. Accordingly, the lenders, investors and other users of this



Press Release

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.

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 continues to be in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term be noted as IVR BB/ Negative; ISSUER NOT COOPERATING 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](#)
- [Criteria for assigning rating outlook](#)

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.

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	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	1355.32	1548.40
EBIDTA	89.42	129.36
PAT	61.06	90.12



Press Release

Total Debt	94.31	52.92
Tangible Net worth	197.67	407.11
EBIDTA Margin (%)	6.60	8.35
PAT Margin (%)	4.49	5.80
Overall Gearing Ratio (x)	0.48	0.13

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: India Ratings in its press release dated July 24, 2023 continues the rating of JTL Infra Limited in "Issuer Not Cooperating" category due to non-submission of information by the issuer.

Any other information: NA

Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (Sep 19,2022)	Date(s) & Rating(s) assigned in 2021-22 (Jul 21,2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Fund Based Facilities	Long Term	42.00	IVR BB (Negative); ISSUER NOT COOPERATING	IVR BB+; ISSUER NOT COOPERATING	IVR A- / Positive	-
2.	Non-Fund Based Facilities	Short Term	10.00	IVR A4; ISSUER NOT COOPERATING	IVR A4+; ISSUER NOT COOPERATING	IVR A2+	-

Name and Contact Details of the Rating Analyst:

Name: Raman Thakur

Name: Om Prakash Jain

Tel: (011) 45579024

Tel: (011) 45579024

Email: raman.thakur@infomerics.com

Email: opjain@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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



Press Release

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.

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 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 entity 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
Long Term Bank Facilities	-	-	-	42.00	IVR BB (Negative); ISSUER NOT COOPERATING
Short Term Bank Facilities				10.00	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-nov23.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.



Press Release