



## Press Release

### Jainam Broking Limited (JBL)

**October 19, 2023**

#### **Ratings**

<b>Instrument Facility /</b>	<b>Amount (Rs. crore)</b>	<b>Ratings</b>	<b>Rating Action</b>	<b><a href="#">Complexity Indicator</a></b>
Short term fund-based bank facilities	575.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus ISSUER NOT COOPERATING)	Rating Revised	Simple
Short term non-fund-based bank facilities	650.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus ISSUER NOT COOPERATING)	Rating Revised	Simple
Proposed Short term non-fund-based bank facilities	315.00	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus ISSUER NOT COOPERATING)	Rating Revised	Simple
Long Term/Short Term fund bases bank facilities	20.00	IVR BB+/ Negative/ IVR A4+; ISSUER NOT COOPERATING (IVR Double B Plus; IVR A Four Plus ISSUER NOT COOPERATING with negative Outlook)	Rating Revised	Simple
<b>Total</b>	<b>1,560</b>			

**Details of Facilities are in Annexure 1**

#### **Detailed Rationale**

The revision in the ratings assigned to the bank facilities of Jainam Broking Limited (JBL) reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

#### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated October 18, 2023 and concurrently over several phone calls. However, despite repeated requests by



## Press Release

Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in the 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 rating for the bank facilities of Nalin Lease Finance Limited aggregating Rs.1,560 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating methodology for Service Industry](#)

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

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

[Criteria of assigning rating outlook](#)

### **About the Company**

Jainam Broking Limited (Erstwhile Jainam Share Consultants Private Limited) incorporated in 2003 is engaged in the business of providing multiple broking services which include Equity, Derivative, Currency, Commodity Trading, and Diamond Derivatives. The company is member of Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Multi Commodity Exchange (MCX), Central Depository Services (I) Limited (CDSL) and National Commodity & Derivative Exchange Limited (NCDEX). JBL is a Gujarat based company has 27 branches across Gujarat, Maharashtra & Rajasthan.

**Financials (Standalone):**

(Rs. Crore)

For the year ended* As on	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	104.20	245.68
EBITDA	53.32	120.13



## Press Release

PAT	32.38	74.48
Total Debt	44.53	17.00
Tangible Net Worth	178.51	225.42
EBITDA Margin (%)	51.17	48.90
PAT Margin (%)	31.07	30.32
Overall Gearing Ratio (x)	0.34	0.08

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

### 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 2023-24 (Dated: April 10, 2023)	Date(s) & Rating(s) assigned in 2021-22 (Dated: January 18, 2022)	Date(s) & Rating(s) assigned in 2020-21 (Dated: March 27, 2021)
1.	Fund Based Facilities	Short Term	575.00	IVR A4+/ INC	IVR A2/ INC	IVR A2+	-
2.	Non-fund-based Facilities	Short Term	650.00	IVR A4+/ INC	IVR A2/ INC	IVR A2+	IVR A2+
3.	Proposed Non-Fund Based Facilities	Short Term	315.00	IVR A4+/ INC	IVR A2/ INC	IVR A2+	IVR A2+
4.	Fund Based Facilities	Short Term/ Long Term	20.00	IVR BB+/ Negative/ IVR A4+/ INC	IVR BBB+/ Stable/ IVR A2/ INC	IVR A-/ Stable/ IVR A2+	IVR A-/ Stable/ IVR A2+

\*Issuer did not cooperate; based on best available information

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

Name: Prakash Kabra

Tel: (022) 62396023

Email: [Prakash.kabra@infomerics.com](mailto:Prakash.kabra@infomerics.com)



## Press Release

### 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 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](http://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, 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
Long Term/ Short Term Fund Based Facilities – Overdraft	-	-	-	20.00	IVR BB+/ Negative/ IVR A4+/ INC



## Press Release

Short Term Fund Based Facilities – Overdraft (Intraday Limit)	-	-	-	575.00	IVR A4+/ INC
Short Term Non-Fund Based Facilities – Bank Guarantee	-	-	-	650.00	IVR A4+/ INC
Short Term Non-Fund Based Facilities – Proposed Bank Guarantee	-	-	-	315.00	IVR A4+/ INC

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

**Annexure 3: Facility wise lender details: Not Applicable**

**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).