



## Press Release

**Jalaram Agriexports Pvt Ltd**

**October 05, 2021**

### Ratings

Sl. No.	Instrument/ Facility	Amount (Rs. Crore)	Ratings	Rating Action
1	Bank Facilities- Long Term	1.15	IVR BB+/INC (IVR Double B Plus, issuer not cooperating)	Rating revised from IVR BBB-/ Stable (IVR Triple B minus with Stable Outlook)
2	Bank Facilities- Short Term	26.50	IVR A4+/INC (IVR A Four Plus, Issuer not cooperating)	Revised from IVR A3 (IVR A Three)
	<b>Total</b>	<b>27.65</b>		

### Detailed Rationale

The rating has been moved to issuer not cooperating category because of lack of adequate information regarding performance of Jalaram Agriexports Pvt Ltd and hence 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 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, despite the rating revision.

### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data including operational details, financial statement, projections results to monitor its assigned rating to the bank facilities, vide multiple E-mail communications (last dated September 09, 2021) and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. 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.



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Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must assign the rating based on the best available information. Accordingly, the long- term and short-term ratings for the banking facilities of Jalaram Agriexports Pvt Ltd aggregating to Rs. 27.65 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+, Issuer Not Cooperating, IVR A4+, issuer Not Cooperating (IVR Double B Plus, Issuer Not Cooperating and IVR A Four Plus with Issuer Not Cooperating); Based on best available information.

### **Analytical Approach & Applicable Criteria**

Standalone

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-financial Sector).

Guidelines on what constitutes Non-Cooperation by clients.

### **About the company**

Jalaram Agriexports Private Limited (JAPL) is involved in the processing and export trading of groundnut kernels seeds, sesame seeds and other seeds and agro products. Earlier, the business was conducted through a partnership firm (Jalaram Agri Exports) which was converted into a private limited company w.e.f. August 20, 2014. The company operates from Rajkot in Gujarat and has been promoted by Mr. Vinaykant Kotecha and his family members. The promoter family has more than four decades of experience in the agro commodity processing and trading business.

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

For the year ended* As on	(Rs. crore)	
	31-03-2019	31-03-2020
	Audited	Provisional
Total Operating Income	239.89	298.46
EBITDA	2.56	5.18
PAT	2.31	6.13
Total Debt	17.58	18.57
Tangible Net worth*	10.36	18.55
EBITDA Margin (%)	1.07	1.74
PAT Margin (%)	0.95	2.02
Overall Gearing Ratio (x)^	1.70	1.00



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**Status of non-cooperation with previous CRA:** CRISIL has migrated the rating of Jalaram Agriexports Private Limited into “Issuer Not Cooperating” category in May, 2020, and Aug, 2021, due to non-availability of adequate information to carry review process.

**Any other information:** Nil

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	0.50	IVR BB+, INC	IVR BBB-, Stable (July 11, 2020)	-	-
2.	Term Loan	Long Term	0.65	IVR BB+, INC	IVR BBB-, Stable (July 11, 2020)	-	-
3.	Packing Credit*	Short Term	24.50	IVR A4+, INC	IVR A3 (July 11, 2020)		
4.	Forward Contract	Short Term	2.00	IVR A4+, INC	IVR A3 (July 11, 2020)		

**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).

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### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**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 Bank Facilities- Cash Credit	-	-	-	0.50	IVR BB+/INC (July 11, 2020)
Long Term Bank Facilities- Term Loan	-	-	-	0.65	IVR BB+/INC (July 11, 2020)
Short Term Bank Facilities- Packing Credit*	-	-	-	24.50	IVR A4+/INC (July 11, 2020)
Short Term Bank Facilities- Forward Contract	-	-	-	2.00	IVR A4+/INC (July 11, 2020)



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**Annexure 2: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/Jalaram-agriexports-lenders-oct21.pdf>

**Annexure 3: List of companies considered for consolidated analysis: NA**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Annexure 5: Complexity level of the rated Instruments/Facilities**

Sr No.	Instrument	Complexity Indicator
1	Cash Credit	Simple
2	Term Loan	Simple
3	Packing Credit	Simple
4	Forward Contract	Simple

**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).