



Press Release

M/s. Jalaram Agriexports limited

June 26th, 2023

Ratings

Instrument Facility /	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	11.28	IVR BB+ / Negative ISSUER NOT COOPERATING* (IVR Double B plus with Negative outlook; ISSUER NOT COOPERATING*)	Revised and migrated to ISSUER NOT COOPERATING* category	Simple
Short Term Bank Facility	38.60	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	Revised and migrated to ISSUER NOT COOPERATING* category	Simple
Total	49.88	(Rupees forty nine Crore and eighty eight lakh Only)		

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

Details of Facilities are in Annexure 1

Detailed Rationale

The rating assigned to the bank facilities of Jalaram Agriexports Limited continues to derive comfort from experienced promoters, established clientele and supplier base, comfortable debt protection metrics, moderate capital structure and leverage position. However, these factors are offset by thin profitability margins, Susceptibility of margins to movement in price of seeds with exposure to agro-climatic risk and intense competition in Food Processing Industry, Exposure to foreign exchange risk and government policies.

Non-cooperation by Issuer:

Infomerics has been regularly following up with the firm to provide the required data to monitor its assigned ratings to the bank facilities, vide mails communications dated May 04, June 13, June 19, June 20 and June 22 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details/information for surveillance exercise.



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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 has continued to classify the long-term and short-term rating for the bank loan facilities of Jalaram Agriexports Limited, aggregating to Rs. 49.88 crore under the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+ / Negative; ISSUER NOT COOPERATING and 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 Firm

Jalaram Agriexports Private Limited (JAEPL) 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. The company have converted into Public Limited Company on 29-Jul-2021.

The Company has already its existing unit available at Anand Bazar, B/H Bus Station, Una-362560, Dist.: Gir Somnath, Gujarat-India. Looking towards the market demand of the products and the tremendous performance of the company over the years, now the company has decided to set up its another new production unit at R.K. Industrial Zone- 9, KuvadvaWankaner Road, Village: Ranpur, Dist: Rajkot, Gujarat-360023.



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The new production line at Rajkot has started operations from March-2022 which will result in increase in production capacity from 100 MT per day to 200 MT per day.

Financials (Standalone):

(In Crore)

For the year ended*	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	294.25	295.97
EBITDA	2.52	3.92
PAT	4.19	3.83
Total Debt	18.44	30.41
Tangible Net worth	14.58	18.41
EBITDA Margin (%)	0.86	1.33
PAT Margin (%)	1.40	1.28
Overall Gearing Ratio (x)	1.26	1.65

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable



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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 (April 19, 2022)	Date(s) & Rating(s) assigned in 2020-21 (Oct 05, 2021)	Date(s) & Rating(s) assigned in 2019-20 (July 11, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Long Term Bank Facility	Long Term	11.28	IVR BB+ / Negative ; ISSUE R NOT COOPERATING*	IVR BBB-/Stable	IVR BB+/INC	IVR BBB-/Stable	--
2.	Short Term Bank Facility	Short Term	38.60	IVR A4+; ISSUE R NOT COOPERATING*	IVR A3	IVR A4+(INC)	IVR A3	--

**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.



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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, 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 Facility – Term loan	-	-	Sept 2027	3.91	IVR BB+ / Negative; ISSUER NOT COOPERATING*
GECL	-	-	Dec 2024	2.78	IVR BB+ / Negative;
GECL 1.0	-	-	Dec 2026	4.59	ISSUER NOT COOPERATING*
Packing credit	-	-	-	37.00	IVR A4+; ISSUER NOT COOPERATING*
Forward Contract	-	-	-	1.60	IVR A4+; ISSUER NOT COOPERATING*

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

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

Annexure 3: Facility wise lender details: Not Available

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



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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.

