



Press Release

Jaideepraj Infrastructure Private Limited (JIPL)

February 21st, 2025

Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Fund-Based Bank Facilities	11.83	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	--	Rating Assigned	Simple
Short Term Non- Fund Based Bank Facilities	79.05	IVR A3 (IVR A Three)	--	Rating Assigned	Simple
Long Term Bank Facilities - Proposed	10.00	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	--	Rating Assigned	Simple
Short Term Bank Facilities - Proposed	42.12	IVR A3 (IVR A Three)	--	Rating Assigned	Simple
Total	Rs.143.00 crore (Rupees One hundred and forty-three crore Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has assigned the ratings to the bank facilities of JIPL derive strengths from strong revenue growth with improvement in overall profitability, strong order book position and experienced promoters with long track record of operations. The rating is however constrained on account of moderate capital structure and debt protection metrics, susceptibility to risks inherent in tender-based business and susceptibility of profitability to volatility in input prices.

The Stable Outlook reflects expected growth in revenue and profitability with experienced promoter group and expectations of stable debt protection metrics over FY25-FY27.

Key Rating Sensitivities:

Upward Factors

- The Stable Outlook reflects expected growth in revenue and profitability with strong order book and expectations of stable debt protection metrics over FY25-FY27.

Downward Factors



Press Release

- Moderation in the scale of operations due to delays in project execution impacting profitability and liquidity of the company.
- Sharp changes in adjusted leverage and/or deterioration in debt protection metrics.
- Stretch in the working capital cycle impacting the liquidity of the company.

List of Key Rating Drivers with Detailed Description

A. Key Rating Strengths

Strong revenue growth with improvement in overall profitability

JIPL's revenue has increased by 67% on y-o-y basis to Rs.401.83 crore in FY24 (period refers from April 01st, 2023, to March 31st, 2024) due to timely execution of orders. Further as of December 31st, 2025, JIPL has achieved a revenue of Rs.288 crore. JIPL's EBITDA margins improved to 11.93% in FY24 (FY23: 9.12%) due to strong order execution. Net profit margin has also improved to 7.43% in FY24 from 5.89% in FY23, due higher EBITDA and lower interest expenses due to repayments of term loans.

Strong order book position

As on date December 31st, 2024, JIPL has strong order of Rs.1229.48 crore (3.06x of FY24 revenue) which provides strong revenue visibility for medium term. The firm has successful track record of completion of contracts in time. The order book consists of projects from governments and other public sector clients. Hence counterparty risk is low.

Experienced partners with long track record of operation

JIPL is promoted by Rajabhau Apparao Ghule. The promoters of the company have an experience of more than two decades in civil construction industry. They are actively involved in day-to-day management of the company and are well assisted by effectively qualified second-tier management in day-to-day operations.



Press Release

B. Key Rating Weaknesses

Moderate capital structure and debt protection metrics

The capital structure of JIPL stood moderate marked by overall gearing stood at 1.14x as on March 31st, 2024 (March 31st, 2023: 2.45x), due to reduction in overall debt, as the company has prepaid some business loans during FY24 along with comfortable net worth base. TOL/TNW remained high at 3.44x as on March 31st, 2024 (March 31st, 2023: 3.85x), due to higher purchases at the end of the year. The debt protection metrics remained marked by coverage ratio and total debt to NCA stood at 8.21x and 1.10 years respectively as on 31st March 2024. (March 31st, 2023: 3.53x and 3.90 years).

Susceptibility to risks inherent in tender-based business

As sales are almost entirely tender-based, revenue depends on ability to bid successfully. Intense competition from large, established players and government entities will continue to constrain scalability, pricing power and profitability.

Susceptibility of profitability to volatility in input prices

The execution period of contracts awarded to JIPL usually ranges from 18-24 months. Thus, its profitability remains susceptible to fluctuations in input prices such as that of pipes, steel, cement, sand, etc.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)



Press Release

Liquidity: Adequate

The liquidity position of the company remains adequate as gross cash accruals are expected to match adequately with debt repayment obligations for FY26 and FY27. The current ratio stood at 1.14x as on March 31, 2024. Further, JIPL has cash and cash equivalent of Rs.2.79 crore as on March 31st, 2024. The average fund-based bank limit utilization in the last 12 months ended January 2025 stood at 71%, the liquidity position of the company stood adequate.

About the company

JIPL was incorporated on March 12th, 2023, having its Corporate Office in Mumbai. JIPL is a EPC contractor and offers multi-disciplinary services in drinking water supply projects. Mr. Rajabhau Apparao Ghule is the main promoter of the company. Earlier, he was running business in the proprietorship firm named M/s. R. A. Ghule.

Financials (Standalone):

(Rs. crore)

For the year ended / As On*	31-03-2023 (Audited)	31-03-2024 (Audited)
Total Operating Income	240.30	401.83
EBITDA	21.91	47.94
PAT	14.18	29.86
Total Debt	63.05	35.04
Tangible Net Worth	25.77	30.80
EBITDA Margin (%)	9.12	11.93
PAT Margin (%)	5.89	7.43
Overall Gearing Ratio (x)	2.45	1.14
Interest Coverage (x)	3.53	8.21

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None.

Any other information: None.



Press Release

Rating History for last three years:

Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023- 24	Date(s) & Rating(s) assigned in 2022- 23	Date(s) & Rating(s) assigned in 2021- 22
Long Term Fund- Based Bank Facilities	Long Term	11.83	IVR BBB-/ Stable	--	--	--
Short Term Non- Fund Based Bank Facilities	Short Term	79.05	IVR A3	--	--	--
Long Term Bank Facilities - Proposed	Long Term	10.00	IVR BBB-/ Stable	--	--	--
Short Term Bank Facilities - Proposed	Short Term	42.12	IVR A3	--	--	--

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] 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.



Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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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 – Term Loan	--	--	March 2028	5.93	IVR BBB-/ Stable
Long Term Bank Facilities – Cash Credit	--	--	Revolving	5.00	IVR BBB-/ Stable
Long Term Bank Facilities – Overdraft	--	--	Revolving	0.75	IVR BBB-/ Stable
Long Term Bank Facilities - Overdraft	--	--	Revolving	0.15	IVR BBB-/ Stable
Short Term Bank Facilities – Bank Guarantee	--	--	--	28.00	IVR A3
Short Term Bank Facilities – Bank Guarantee	--	--	--	9.50	IVR A3
Short Term Bank Facilities – Bank Guarantee	--	--	--	17.50	IVR A3
Short Term Bank Facilities – Bank Guarantee	--	--	--	14.05	IVR A3
Short Term Bank Facilities – Bank Guarantee	--	--	--	10.00	IVR A3
Long Term Bank Facilities - Proposed	--	--	--	10.00	IVR BBB-/ Stable
Short Term Bank Facilities - Proposed	--	--	--	42.12	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-jaideepaj-feb25.pdf>



Press Release

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: 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.