



Press Release

Jagdish Saran

December 5, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	16.81	IVR B/ Negative ISSUER NOT COOPERATING* (IVR B with Negative Outlook Issuer Not Cooperating)	IVR B+/ Negative ISSUER NOT COOPERATING* (IVR B plus with Negative Outlook Issuer Not Cooperating)	Downgrade and remained in Issuer Not Cooperating category	Simple
Short Term Bank Facilities	42.00	IVR A4 ISSUER NOT COOPERATING* (IVR A four Issuer Not Cooperating)	IVR A4 ISSUER NOT COOPERATING* (IVR A four Issuer Not Cooperating)	Reaffirmed and remained in Issuer Not Cooperating Category	Simple
Long Term/ Short Term Bank Facilities	8.19	IVR B/ Negative/ IVR A4 ISSUER NOT COOPERATING* (IVR B with Negative Outlook and IVR A four Issuer Not Cooperating)	IVR B+/ Negative/ IVR A4 ISSUER NOT COOPERATING* (IVR B plus with Negative Outlook and IVR A four Issuer Not Cooperating)	Long term rating downgraded, short term rating reaffirmed, and remained in Issuer Not Cooperating category	Simple
Total	67.00 (INR sixty-seven crore only)				

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

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 downgraded the long-term rating and reaffirmed the short-term rating and continued of the ratings assigned to the bank facilities of Jagdish Saran in the ISSUER NOT COOPERATING category because of lack of adequate information for rating review from the firm and hence the uncertainty around its credit risk. Infomerics assesses whether the



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information available about the entity is commensurate with its ratings and reviews the same as per its policy. The outlook remains negative due to information availability risk. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated August 20, 2024, August 27, 2024, August 29, 2024, September 10, 2024, September 16, 2024, September 20, 2024, October 1, 2024, October 28, 2024, November 11, 2024, November 19, 2024, November 22, 2024, November 26, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted surveillance fees, and all the essential details required for detailed review of the assigned ratings.

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 ratings based on the best available information. Accordingly, the ratings of the bank loan facilities aggregating to INR 67.00 crore of Jagdish Saran shall be continued under the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating be noted as at 'IVR B/ Negative ISSUER NOT COOPERATING' based on best available information (IVR B with negative outlook Issuer Not Cooperating based on best available information) and short-term rating be noted as at 'IVR A4 ISSUER NOT COOPERATING' based on best available information (IVR A four Issuer not cooperating based on best available information) and the long/short term rating will be noted as at 'IVR B/ Negative/ IVR A4 ISSUER NOT COOPERATING' based on best available information (IVR B with negative outlook and IVR A four Issuer not cooperating based on best available information).

Analytical Approach: Standalone



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Applicable Criteria:

[Policy on Default Recognition](#)

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Infrastructure companies](#)

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

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

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

About the Firm

Established in 2004 as a partnership firm, Jagdish Saran is a civil contractor executes civil engineering, and infrastructure works like construction & up gradation of highways/roads works. The firm is a registered Class A category contractor. The current partners of the firm are Mr. Praveen Kumar Gupta, and Ms. Aarti Gupta. The firm has been in the civil construction business 3 for eighteen years now. Long experience of partners and its established track record of operations strengthens the operational risk profile of the firm.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	93.59	76.26
EBITDA	7.86	7.64
PAT	3.37	2.21
Total Debt	21.86	16.62
Tangible Net Worth	17.62	40.10
EBITDA Margin (%)	8.40	10.02
PAT Margin (%)	3.54	2.87
Overall Gearing Ratio (x)	1.24	0.41
Interest Coverage (x)	2.32	2.58

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA:

India Ratings has maintained the ratings of Jagdish Saran in the Issuer Non-Cooperating category on account of information risk as per the Press Release dated July 14, 2024.

Any other information: Nil



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Rating History for last three years:

Sr. No	Name of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	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
					(October 03, 2023)	(September 19, 2022)	(March 23, 2022)
1.	GECL	Long Term	0.56	IVR B/ Negative ISSUER NOT COOPERATING*	IVR B+/ Negative ISSUER NOT COOPERATING*	IVR BB-/ ISSUER NOT COOPERATING*	IVR BB/ Stable
2.	Cash Credit	Long Term	8.25	IVR B/ Negative ISSUER NOT COOPERATING*	IVR B+/ Negative ISSUER NOT COOPERATING*	IVR BB-/ ISSUER NOT COOPERATING*	IVR BB/ Stable
3	Bid Bond Overdraft	Long Term	3.00	IVR B/ Negative ISSUER NOT COOPERATING*	IVR B+/ Negative ISSUER NOT COOPERATING*	IVR BB-/ ISSUER NOT COOPERATING*	IVR BB/ Stable
4	Overdraft	Long Term	5.00	IVR B/ Negative ISSUER NOT COOPERATING*	IVR B+/ Negative ISSUER NOT COOPERATING*	IVR BB-/ ISSUER NOT COOPERATING*	IVR BB/ Stable
5	Bank Guarantee	Short Term	42.00	IVR A4 ISSUER NOT COOPERATING*	IVR A4 ISSUER NOT COOPERATING*	IVR A4 ISSUER NOT COOPERATING*	IVR A4
6	Unallocated Limits	Long Term/Short Term	8.19	IVR B/ Negative IVR A4 ISSUER NOT COOPERATING*	IVR B+/ Negative / IVR A4 ISSUER NOT COOPERATING*	IVR BB- / IVR A4 ISSUER NOT COOPERATING*	IVR BB/ Stable/ IVR A4

*Issuer did not cooperate; based on best available information



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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 and definition of ratings please visit www.infomerics.com.

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Annexure 1: Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
GECL	-	-	-	FY25	0.56	IVR B/ Negative ISSUER NOT COOPERATING*
Cash Credit	-	-	-	-	8.25	IVR B/ Negative ISSUER NOT COOPERATING*
Bid Bond Overdraft	-	-	-	-	3.00	IVR B/ Negative ISSUER NOT COOPERATING*
Overdraft	-	-	-	-	5.00^	IVR B/ Negative ISSUER NOT COOPERATING*
Bank Guarantee I	-	-	-	-	17.00	IVR A4 ISSUER NOT COOPERATING*
Bank Guarantee II	-	-	-	-	25.00	IVR A4 ISSUER NOT COOPERATING*
Unallocated Limits	-	-	-	-	8.19	IVR B/ Negative ISSUER NOT COOPERATING*/ IVR A4 ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

^Bank Guarantee of Rs. 5 crore is a sub-limit of overdraft

Annexure 2: Facility wise lender details: Not Applicable

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

Annexure 4: List of companies considered for consolidated/Combined 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.