

January 24, 2024

Jaya Lathe Works : Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based -Term Loan	1.52	1.52	[ICRA]B (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	0.99	0.99	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based -Cash Credit	19.56	19.56	[ICRA]B (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	22.07	22.07	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short – term ratings for the Bank facilities of Jaya Lathe Works in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B (Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Jaya Lathe Works, ICRA has been trying to seek information from the entity so as to monitor its performance Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, key financial indicator : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Formed in 1974, Jaya Lathe Works (JLW) is a proprietorship of Mr. P. Pitchaimckam, located at Paramkudi in Tamil Nadu. It works on the contract basis and is engaged in manufacturing and supply of electrical equipment such as isolators, switches, PCS poles etc. which are primarily used in power transmission process. The entity mainly works for Tamil Nadu Electricity Board. It bids for the tenders floated by TNEB/TANGEDCO and supplies electrical equipment to them. In addition, it also supplies equipment to the other local players, but the proportion remains very low.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021
					Jan 24, 2024	Nov 24, 2022	Aug 03, 2021	-
1.	Fund Based - Term Loan	Long Term	1.52	-	[ICRA]B (Stable) ; ISSUER NOT COOPERATING	[ICRA]B (Stable) ; ISSUER NOT COOPERATING	[ICRA]B (Stable)	-
2.	Non Fund Based-Others	Short Term	0.99	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	-
3.	Fund Based - Cash Credit	Long Term	19.56	-	[ICRA]B (Stable) ; ISSUER NOT COOPERATING	[ICRA]B (Stable) ; ISSUER NOT COOPERATING	[ICRA]B (Stable)	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term-Fund Based -Term Loan	Simple
Short Term-Non Fund Based-Others	Very Simple
Long Term-Fund Based -Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term-Fund Based - Term Loan	June 2020	7.5%	FY2025	1.52	[ICRA]B (Stable) ; ISSUER NOT COOPERATING
NA	Short Term-Non Fund Based-Others	-	-	-	0.99	[ICRA]A4; ISSUER NOT COOPERATING
NA	Long Term-Fund Based - Cash Credit	-	-	-	19.56	[ICRA]B (Stable) ; ISSUER NOT COOPERATING

Source: Jaya Lathe Works

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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Branches



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