

July 19, 2024

## JRS Pharma & Gujarat Microwax Pvt. Ltd.: Ratings withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/Short-term – Fund-based/Non-fund Based Facilities	29.90	29.90	[ICRA]A(Stable)/[ICRA]A1; withdrawn
Unallocated Limits	10.10	10.10	[ICRA]A(Stable)/[ICRA]A1; withdrawn
<b>Total</b>	<b>40.00</b>	<b>40.00</b>	

\*Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of JRS Pharma & Gujarat Microwax Pvt. Ltd. (JPGM) at the request of the company and based on the No objection certificate received from the bankers, and in accordance with ICRA's policy on withdrawal of ratings. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Policy on Withdrawal of Credit Ratings</a> <a href="#">Pharmaceuticals</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	The rating is based on the company's standalone financial profile

### About the company

JPGM was originally incorporated by the Ahmedabad-based Jhajharia family as Gujarat Microwax Pvt. Ltd. (GMW) in 1989. In 2006, the JRS Pharma Group, a global market leader in cellulose products, headquartered in Rosenberg, Germany, acquired 50% stake in GMW. Due to the company's association with JRS, GMW was renamed as JPGM in June 2018. JPGM manufactures excipients (microcrystalline cellulose powder (MCCP)) and disintegrants (sodium starch glycolate (SSG)/ cross carmellose sodium (CCS)). At present, it has an installed production capacity of 10,500 MTPA (increased from 4,500 MTPA in FY2020) for MCCPs and 3,000 MTPA for SSG/CCS at its Nandasan plant in Gujarat.

## Key financial indicators

	FY2022	FY2023
Operating Income (Rs. crore)	321.0	386.5
PAT (Rs. crore)	48.6	82.7
OPBDIT/OI (%)	23.1%	29.8%
PAT/OI (%)	15.1%	21.4%
Total Outside Liabilities/Tangible Net Worth (times)	0.2	0.1
Total Debt/OPBDIT (times)	0.2	0.0
Interest Coverage (times)	76.7	309.9

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation, All ratios as per ICRA calculations

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Instrument	Current rating (FY2025)			Chronology of Rating History for the past 3 years		
	Type	Amount rated (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
			Jul 19, 2024	Sep 22, 2023	June 23, 2022	April 02, 2021
1 EPC/PCFC/FBD/EBR	Long Term	-	-	-	[ICRA]A (Stable)	[ICRA]A (Stable)
2 Cash Credit-sublimit to EPC/PCFC/FBD/EBR	Long Term	-	-	-	[ICRA]A (Stable)	[ICRA]A (Stable)
3 Letter of Credit	Short Term	-	-	-	[ICRA]A1	[ICRA]A1
4 Bank Guarantee	Short Term	-	-	-	[ICRA]A1	[ICRA]A1
5 Credit Exposure Limit	Short Term	-	-	-	[ICRA]A1	[ICRA]A1
6 Fund based/non-fund-based facilities	Long term/Short term	29.90	[ICRA]A(Stable)/[ICRA]A1; withdrawn	[ICRA]A (Stable)/[ICRA]A1	-	-
7 Unallocated	Long Term/Short Term	10.10	[ICRA]A(Stable)/[ICRA]A1; withdrawn	[ICRA]A (Stable)/[ICRA]A1	[ICRA]A (Stable)/[ICRA]A1	[ICRA]A (Stable)/[ICRA]A1

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Fund based/non-fund-based facilities	Simple
Unallocated Limits	Not Applicable

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, are available on ICRA's website: [Click Here](#)

#### Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term/Short term - fund based/non-fund-based facilities	NA	NA	NA	29.90	[ICRA]A(Stable)/[ICRA]A1; withdrawn
NA	Unallocated Limits	NA	NA	NA	10.10	[ICRA]A(Stable)/[ICRA]A1; withdrawn

Source: Company

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

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

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