October 07, 2022

Jupiter Wagons Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based – Term loan	19.50	19.50	[ICRA]A (Positive); Withdrawn
Long-term – Fund-based – Working capital facilities	112.00	112.00	[ICRA]A (Positive); Withdrawn
Short-term – Non-fund based - Working capital facilities	293.50	293.50	[ICRA]A2+; Withdrawn
Short-term – Fund-based – Working capital facilities	3.00	3.00	[ICRA]A2+; Withdrawn
Total	**428.00**	**428.00**	

**Instrument details are provided in Annexure I*

Rationale

The ratings assigned to the bank facilities of Jupiter Wagons Limited (JWL) has been withdrawn since the company ceases to exist, post its amalgamation into Commercial Engineers & Body Builders Limited (which is now renamed as Jupiter Wagons Limited), in accordance with ICRA's withdrawal policy.

The key rating drivers, liquidity position, rating sensitivities, and key financial indicators have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	NA

About the company

JWL, incorporated in 2006, was a part of the Kolkata-based Jupiter Group and a leading player in the Indian railway wagon manufacturing industry. JWL had a capacity to manufacture ~4,200 wagons annually and is backward integrated with a foundry shop to manufacture various components of a typical wagon like couplers, bogies, draft gears, CRF section, etc.

As per the scheme of merger approved by the National Company Law Tribunal (NCLT), the assets and liabilities corresponding to the JWL stand transferred to Commercial Engineers & Body Builders Limited (renamed as Jupiter Wagons Limited).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on Aug 31, 2022 (Rs. crore)	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020
					Oct 07, 2022	Mar 31, 2022	Dec 28, 2020	Dec 18, 2020	May 09, 2019
1	Term loans	Long-term	19.50	-	[ICRA]A (Positive); Withdrawn	[ICRA]A (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	-
2	Fund-based Working capital facilities	Long-term	112.00	-	[ICRA]A (Positive); Withdrawn	[ICRA]A (Positive)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn
3	Non-fund based Working capital facilities	Short-term	293.50	-	[ICRA]A2+; Withdrawn	[ICRA]A2+	[ICRA]A2+	[ICRA]A2+	[ICRA]A3 ISSUER NOT COOPERATING*; Withdrawn
4	Fund-based Working capital facilities	Short-term	3.00	-	[ICRA]A2+; Withdrawn	[ICRA]A2+	[ICRA]A2+	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term Fund-based – Term loan	Simple
Long-term Fund-based – Working capital facilities	Simple
Short-term Non-fund based – Working capital	Very Simple
Short-term Fund-based – Working capital facilities	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 are available on ICRA's website: www.icra.in

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund-based – Term loan	FY2019	8.8-9.5%	FY2024*	19.50	[ICRA]A (Positive); Withdrawn
NA	Fund-based – Working capital facilities	--	--	--	112.00	[ICRA]A (Positive); Withdrawn
NA	Non-fund based – Working capital	--	--	--	293.50	[ICRA]A2+; Withdrawn
NA	Fund-based – Working capital facilities	--	--	--	3.00	[ICRA]A2+; Withdrawn

**The term loan has been transferred to JWL (formerly CEBBCO).*

Source: Company

Annexure II: List of entities considered for consolidated analysis - NA

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