



## Rating Rationale

Jatalia Global Ventures Ltd.

18 Jan 2021

Brickwork Ratings has reaffirmed the Rating for the Bank Loan facilities of ₹ 66 Crore of Jatalia Global Ventures Ltd. based on best available information, as the issuer did not cooperate.

### Particulars

| Facility**     | Amount (₹ Cr) |         | Tenure                              | Rating*             |  |
|----------------|---------------|---------|-------------------------------------|---------------------|--|
|                | Previous      | Present |                                     | Previous (Dec 2019) | Present  |
| Fund Based     | 14            | 14      | Long Term                           | BWR D               | BWR D<br>(Reaffirmed)<br>(Issuer Not Cooperating^) |
| Non-fund Based | 52            | 52      | Short Term                          |                     |  |
| <b>Total</b>   | 66            | 66      | <b>Rupees Sixty Six Crores Only</b> |                     |  |

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

^Issuer did not cooperate; based on best available information

### Rating Action: Reaffirmed; Issuer Non-Cooperation

**Nature of Non-co-operation:** BWR had last reviewed the rating of Jatalia Global Ventures Ltd. (JGVL or the company) at BWR D in Jan 2020. As the rating was due for review in Jan 2021, Brickwork Ratings (BWR) had taken up with the issuer to provide required information over email and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. Further, vide its disclosure dated 19.08.20 to the Bombay Stock Exchange (BSE), the company has stated that its bank loan facilities are classified as NPA by the lender. The company has also not submitted the No Default Statement for more than 3 months in a row. Due to the lack of management cooperation in providing the information and disclosures made on BSE, BWR has reaffirmed the rating for the bank facilities of JGVL at BWR D and migrated it to Issuer Not Cooperating category.

**Limitations of the rating:** Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

### About the Company (Information as available in Jan 2020)

Jatalia Global Ventures Ltd. (JGVL) is a publicly listed company, engaged in high seas trading of a diverse set of products such as computer peripherals, bitumen, clear float glass, polymers, copper, ferro-silicon, aluminum etc. The company, based out of Delhi was established in 1999 and is listed at BSE. In FY19, JGVL, along with its group companies(4 Numbers) (Transferor)



merged with the Transferee company- Ashee Infotech Ltd. (later renamed as Jatalia Global Ventures Ltd.).

**KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]**

| Key Parameters           | Units    | FY 19   | FY 20   |
|--------------------------|----------|---------|---------|
| Result Type              |          | Audited | Audited |
| Total Operating Income   | Rs Crore | 286.88  | 65.25   |
| OPBDIT                   | Rs Crore | 12.49   | (7.28)  |
| PAT                      | Rs Crore | 2.80    | (9.51)  |
| Tangible Net worth (TNW) | Rs Crore | 36.85   | 27.53   |
| TOL/TNW                  | Times    | 1.19    | 1.05    |

**Rating History for the last three years (including withdrawn/suspended ratings)**

| Facility Instrument | Current Rating |            |        |              | Rating History |        |        |              |        |                |             |        |                 |  |
|---------------------|----------------|------------|--------|--------------|----------------|--------|--------|--------------|--------|----------------|-------------|--------|-----------------|--|
|                     | 18 Jan 2021    |            |        |              | 08 Jan 2020    |        |        | 24 Sep 2019  |        |                | 19 Mar 2018 |        |                 |  |
|                     | Facility       | Type       | Amount | Rating       | Facility       | Amount | Rating | Facility     | Amount | Rating         | Facility    | Amount | Rating          |  |
| Bank Loan Rating    | FB             | Long Term  | 14     | BWR D (INC*) | FB             | 14     | BWR D  | FB           | 14     | BWR C          | FB          | 14     | BWR BBB+/Stable |  |
|                     | NFB            | Short Term | 52     |              | NFB            | 52     |        | NFB          | 52     | BWR A4         | NFB         | 52     | BWR A3+         |  |
|                     |                |            |        |              |                |        |        | 04 July 2019 |        |                |             |        |                 |  |
|                     |                |            |        |              |                |        |        | FB           | 14     | BWR BBB/Stable |             |        |                 |  |
|                     |                |            |        |              |                |        |        | NFB          | 52     | BWR A3         |             |        |                 |  |

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

**Status of non-cooperation with previous CRA (if applicable)- NA**



## Annexure I

### Details of Bank Facilities rated by BWR

| S No. | Type of Facility             | Long Term (Rs. Cr) | Short Term (Rs. Cr) | Total (Rs. Cr) |
|-------|------------------------------|--------------------|---------------------|----------------|
| 1     | Fund Based<br>CC Limit       | 14                 | -                   | 14             |
| 2     | Non Fund Based<br>ILC/FLC/BG | -                  | 49.50               | 49.50          |
| 3     | Forward Letter of<br>Credit  | -                  | 2.50                | 2.50           |
|       | Total                        | 14                 | 52                  | 66*            |

**Total Rupees Sixty Six Crores only.**

**\*The rating amount includes Rs 29.50 Crs of proposed limits**

#### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

| Analytical Contacts  |   |
|--|---|
| <b>Sumit Saharan</b><br><b>Primary Analyst</b><br>Board: +91-172-5032295 Ext: 104<br>[Email Address: sumit.s@brickworkratings.com] | <b>Ashwini Mital</b><br><b>[Director – Ratings]</b><br>Board: +91-172-5032295 Ext: 102<br>[Email Address: ashwini.m@brickworkratings.com] |
| <b>1-860-425-2742</b>  | <b>media@brickworkratings.com</b>   |



**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

### **About Brickwork Ratings**

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER :** Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect,



incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, [www.brickworkratings.com](http://www.brickworkratings.com). More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.