JNS Infra projects Private Limited

July 03, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	100.00	CARE BB+; Stable	Upgraded from CARE BB; Stable
Long-term / Short-term bank facilities	100.00	CARE BB+; Stable / CARE A4+	Upgraded from CARE BB; Stable / CARE A4

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

Revision in ratings assigned to bank facilities of JNS Infra projects Private Limited (JNSIPPL) factors in the consistent improvement in scale of operations of the company translating into better operating margins and net worth base. With satisfactory order book-to-sales ratio, CARE Ratings Limited (CareEdge Ratings) estimates that the company would be able to sustain increased revenue base. Ratings also derive support from the promoters over two decades of experience in the construction sector, a healthy and executable order book providing adequate revenue visibility, a comfortable capital structure, and a stable outlook for the infrastructure sector.

However, ratings continue to be constrained by sectoral and geographical concentration, with operations largely focused on water and irrigation projects for the Government of Karnataka (GoK), and the inherently fragmented and tender-driven nature of the construction industry. Liquidity remains stretched, primarily considering delays in receivables from government counterparties, increasing dependency on working capital and exerting pressure on cash flows.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained increase in scale of operations while improving debt coverage indicators.

Negative factors

- Any sizeable de-growth in scale of operations from present level (total operating income below ₹200 crore) on a sustained basis.
- Delays in execution of orders beyond stipulated time frame and delay in receipt of collection of receivables from customers on a sustained basis.
- Any large debt-funded capex impacting the liquidity and financial profile.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings believes that the company would continue to maintain satisfactory order book aided by promoters' extensive experience in executing the projects.

Detailed description of key rating drivers:

Key weaknesses

Sectoral and geographical concentration risk

The company's order book exhibits high sectoral concentration, with a predominant share of projects in the water segment, and geographical concentration, with operations historically confined to Karnataka, exposing it to region- and segment-specific risks. While the sector outlook remains favourable, supported by continued government focus on irrigation and water infrastructure, timely receipt of statutory approvals and realisation of project receivables remain critical for adherence to project timelines and cost estimates, impacting execution efficiency and profitability. The management follows a selective bidding approach, undertaking detailed project-level assessments to ensure viability and margin adequacy. The company has articulated its intent

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

to diversify its order book across geographies and project types, which, if executed effectively, may mitigate concentration risks over the medium term.

Fragmented nature of construction sector with tender-based nature of operations and execution challenges
The company operates in a highly fragmented and competitive infrastructure sector, characterised by the presence of numerous small and mid-sized players and a tender-based order procurement mechanism, resulting in intense competition, revenue volatility and constrained profitability. The credit profile remains susceptible to execution-related challenges, including delays in land acquisition, regulatory and environmental clearances, aggressive bidding intensity, and interest rate movements, all of which can adversely affect project timelines, cost assumptions, and margin profile. Given the tender-driven nature of operations, revenue visibility and scale remain contingent upon the company's ability to secure new orders on a sustained basis. Profitability also remains exposed to pricing pressure inherent in competitive bidding. However, these are partially mitigated by the promoter's long-standing industry experience of over two decades, which supports bid selection, execution capability and customer relationships.

Working capital intensive nature of operations
Given the inherent nature of its business operations, the company's projects generally have multi-year tenors and remain susceptible to delays, often arising from factors beyond its control. Erratic payment realisation from counterparties results in elevated working capital utilisation during the year, although the utilisation typically normalises by March-end following receipt of customer payments.

Key strengths

Experienced promoter and management team
JNSIPPL is a closely held entity managed by its promoter, Jayasheel Narayan Shetty, who possesses over two decades of experience in the construction industry. The promoter commenced operations in 2006 by undertaking small-scale projects in an individual capacity, which subsequently evolved into a proprietorship. The business was reconstituted as a partnership firm in 2023 and later converted into a private limited company in 2024 to enhance its eligibility for bidding and executing larger-value projects. Over the years, the promoter has established strong relationships with established industry participants and has demonstrated the ability to secure repeat orders, supporting business continuity and execution visibility.

Satisfactory orderbook position
As on June 05, 2026, JNSIPPL has satisfactory orderbook with the unexecuted contract value of ₹1,742 crore. Almost entire order book is from water and irrigation department of GoK. The strong credit profile of the clients mitigates the counter party risk.

Satisfactory capital structure
JNSIPPL's capital structure improved materially in FY26, supported by reduction in total debt and accretion to reserves. The total outside liabilities to tangible net worth (TOL/TNW) ratio improved to 2.09x as on March 31, 2026, from 3.91x as on March 31, 2025, indicating improved leverage position. However, the liability profile continues to be characterised by reliance on external borrowings, predominantly in the form of working capital facilities and term loans, resulting in moderately elevated TOL/TNW levels despite improvement.

Liquidity: Stretched

JNSIPPL's liquidity remains stretched, constrained by delayed realisation of receivables from government counterparties, which continues to exert pressure on working capital intensity. The increase in working capital borrowings in recent months underscores the reliance on external funding to support operations. However, average utilisation of fund-based limits remained moderate at ~70% for the 12-month period ended May 2026, providing some headroom. Liquidity is further supported by cash and bank balances of ₹13.76 crore as on March 31, 2026. Timely collection of receivables remains critical for maintaining cash flow adequacy and meeting incremental working capital requirements.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Construction Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

JNSIPPL was established in 2006 as a proprietorship entity by Jayasheel Narayana Shetty. It was later incorporated as a partnership firm named 'JNS Construction', with Jayasheel Narayana Shetty and his family as partners. In FY24, it was converted into a private limited company, now known as JNS Infra Projects Private Limited. The firm is engaged in civil construction work, including roads, bridges, canal works, barrage works, and lift irrigation projects. It undertakes government projects on a tender basis within Karnataka.

Brief Financials (₹ crore)	March 31, 2025 (A)**	March 31, 2026 (UA)
Total operating income	298.20	312.40
PBILDT*	27.19	52.68
Profit after tax (PAT)	16.78	26.49
Overall gearing (x)	1.06	0.23
Interest coverage (x)	5.20	3.33

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax
** The financials for March 31, 2025 considered are a combined representation of JNSIPPL and JNS Constructions, as the entity was undergoing transition in the period, with a portion of operations executed under the partnership firm prior to its conversion into a private limited company.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	100.00	CARE BB+; Stable
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	100.00	CARE BB+; Stable / CARE A4+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Cash Credit	LT	100.00	CARE BB+; Stable	-	1)CARE BB; Stable (31-Jul-25)	1)CARE BB; Stable / CARE A4 (30-Dec-24)	-
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	100.00	CARE BB+; Stable / CARE A4+	-	1)CARE BB; Stable / CARE A4 (31-Jul-25)	1)CARE BB; Stable / CARE A4 (30-Dec-24)	-

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of facilities/instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-

[3]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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