

Jyoti CNC Automation Limited

October 26, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 1414.11 Crore (Enhanced from Rs. 1259.11 Crore)	Regulator[^]
Long Term Rating	IVR A+ / Positive (Rating Reaffirmed; Outlook revised to Positive from Stable)	RBI
Short Term Rating	IVR A1 (Rating Reaffirmed)	RBI
[^] Kindly note that for activities or 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.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

Rationale

Infomerics Ratings has reaffirmed its ratings assigned to Jyoti CNC Automation Limited (JCAL) and changed the outlook from Stable to Positive. The ratings continue to factor in the healthy growth in scale of operations, strong and diversified order book providing medium term revenue visibility, capacity expansion supporting future growth prospects, international presence and technological capabilities supported by Huron and extensive experience of the promoters and management team. The ratings continue to be constrained due to working capital intensive nature of operations and exposure to foreign currency exchange rate fluctuation risk.

Outlook: Positive

The outlook has been changed from Stable to Positive. Positive outlook reflects availability of a healthy order book and commencement of additional capacity unit which will reflect from H2FY27 onwards.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidated
Parent/ Group Support	Not Applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

- **Healthy growth in scale of operations**

JCAL has demonstrated healthy growth in its scale of operations and profitability during FY26 (refers to a period from April 01, 2025 to March 31, 2026), supported by sustained demand from end-user industries and improved operational efficiencies. On a standalone basis, revenue increased by 20.7% from Rs. 1,615.03 crore in FY25 to Rs. 1,949.01 crore in FY26, while PAT increased to Rs. 391.25 crore. Standalone EBITDA stood at approximately Rs. 564 crore in FY26, translating into an EBITDA margin of around 28.9%. On a consolidated basis, revenue increased to Rs. 2,093.13 crore in FY26 from Rs. 1,817.70 crore in FY25, while EBITDA increased to approximately Rs. 527 crore.

With y-o-y accretion of profits, the company has a healthy net worth base. The TNW has improved from Rs. 1654.58 crore as on 31st March 2025 to Rs. 1948.85 crore as on 31st March 2026. As on 31st March 2026, the capital structure of the company remained comfortable TOL/TNW standing at 0.83 times compared to 0.67 times as on 31st March 2025. Overall gearing ratio on TNW stood at 0.44 times as on 31st March 2026 compared to 0.30 times as on 31st March 2025. The slight moderation in the gearing is primarily on account of increase in the term loans which were availed to fund the capex and increase in working capital utilization limits. Debt protection metrics ratio of the company stood healthy, with Interest coverage at 7.54 times and DSCR at 6.64 times as on 31st March 2026.

- **Strong and diversified order book providing medium term revenue visibility**

JCAL has maintained a healthy consolidated order book at Rs. 4732 crore as on 31st March 2026 and further to Rs. 4838 crore as on June 30, 2026. The order book majorly caters to Aerospace/Defence, Auto and Auto components, General engineering, which accounts to ~75% of the total orderbook. Majority of the revenue for FY26 was derived from sale of CNC machines to various sectors including aerospace and defence (38%), auto & auto components (20%) and general engineering (19%). The order book represents approximately 2.3 times FY26 consolidated revenue, providing healthy revenue visibility over the medium term. During Q1FY27, the company secured fresh orders worth approximately Rs. 601 crore against order execution of Rs. 485 crore, resulting in a net increase in its outstanding order book. Further, approximately 40% of the order book comprises high-end machines, typically priced above Rs. 2 crore per machine. The healthy proportion of high-value machines supports better revenue realisations and profitability prospects.

The company is also focusing on the EMS segment identifying the same as a key growth driver. The overall contribution to its overall business portfolio is expected to be 20-25% over the medium to long term.

- **Capacity expansion supporting future growth prospects**

JCAL has undertaken significant capacity expansion at its Rajkot manufacturing facility, Gujarat, to cater to increasing demand and support the execution of its healthy order book. The company's installed manufacturing capacity at Rajkot increased from 4,400 machines per annum to 6,000 machines per annum towards the end of FY25. During FY26, the company manufactured 5,369 machines, translating into capacity utilisation of approximately 89.5%, reflecting healthy utilisation levels. As part of its ongoing expansion at the same facility, the company is further augmenting its installed capacity to 16,000 machines per annum, involving an estimated capital expenditure of approximately Rs. 427 crore, expected to be commissioned by November 2026. The enhanced capacity is expected to cater to growing demand from emerging segments and high-volume manufacturing requirements. Separately, the company acquired approximately 20 acres of land at Tumkur Machine Tool Park, Karnataka, during FY26, providing scope for future expansion and strengthening its presence in southern India. The ongoing capacity augmentation at Rajkot is expected to support higher production volumes, improve economies of scale and facilitate timely execution of orders, thereby supporting the company's medium-term growth prospects.

- **International presence and technological capabilities supported by Huron**

JCAL's international presence is supported by its wholly owned step-down subsidiary, Huron Graffenstaden SAS, France, which specialises in high-precision machining solutions catering primarily to aerospace and other advanced engineering applications. The company has five overseas wholly owned subsidiaries, including four step-down operating subsidiaries, providing access to international markets and customers. During FY26, Huron reported revenue of approximately Rs. 248 crore. The subsidiary also completed its manufacturing capacity expansion in France during FY26 from 120 machines per annum to 240 machines per annum, which is expected to improve its production capabilities and support growth in international operations.

Huron's advanced technological capabilities complement JCAL's domestic manufacturing operations and strengthen its positioning in high-value, precision-engineering segments. However, Huron's operating performance continues to affect consolidated profitability, as reflected in the lower consolidated EBITDA margin of approximately 25.2% in FY26 compared with the standalone EBITDA margin of approximately 28.9%. Therefore,

improvement in Huron's operating performance remains an important monitorable for the group's overall credit profile.

- **Extensive experience of the promoters and management team**

JCAL was promoted in 1991 by Mr. Parakramsinh G Jadeja. He is a first-generation entrepreneur. He has experience of two decades at grass root engineering level and is responsible for development of new products. He was instrumental in introduction of trouble-free gearboxes for small types of lathes in 1989. Further, he was instrumental in designing several Special Purpose Machines that helped the entire industry to bring the substantial price reduction in the components manufactured on such special purpose machines. He designed and manufactured the first CNC Turning Centre in Gujarat in 1997 and introduced for the first time in India some of the CNC Vertical Machining Centre (Power VMC-40 linear) and SECT (Eccentric Turning Machine). The company is managed by board of directors who are in turn supported by team of professionals.

Weaknesses

- **Working capital intensive nature of operations**

As a player in the capital goods industry, the company's operations are inherently working capital intensive. CNC machines are capital goods, involving high-value and time-consuming manufacturing processes. Long lead times for importing critical components for ex. controllers which are imported from Japan and Germany having a lead time of 12 months, also compel the company to stock up, thus increasing raw material holding days. Hence the operating cycle of the company has stood high at 228 days for FY26 (PY: 209 days). Higher operating cycle is on account of higher average raw material holding days and average WIP days which stood at 271 days and 69 days respectively. The company maintains captive foundry to ensure availability of good quality casting on time. Further the product completion and testing take timeframe of approximately six months based on nature of orders.

- **Exposure to foreign currency exchange rate fluctuation risk**

The group derived nearly 11% of its revenues from overseas which exposes it to foreign exchange fluctuation. Unhedged position, if any will expose it to volatility in foreign exchange currency movement. However, the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Liquidity – Strong

The liquidity position of the company is expected to remain strong marked by its healthy gross cash accruals (GCA) to the tune of Rs. 452.63 crore in FY27 vis-à-vis debt repayment obligations of Rs. 58.25 crore. The cash flow from operations stood positive at Rs. 54.39 crore and current ratio stood comfortable at 2.26x as on March 31, 2026. FBWC utilisation remained moderate at 56% for the past 12 months ended August 2026 providing sufficient buffer.

Rating Sensitivities

Upward Factors

- Significant growth in the scale of operations while sustaining profitability
- Effective working capital management with improvement in operating cycle

Downward Factors

- Significant decline in operating income and/ or profitability impacting the debt funded capex impacting the TD/ EBITDA above 2 times

About the Company and Group

Jyoti CNC Automation Limited (JCAL) based out of Rajkot, Gujarat was incorporated in 1989, has an established track record of over three decades in the manufacturing of Computer Numerical Control (CNC) machines. The company has developed a strong presence in the domestic and international CNC machine manufacturing industry, supported by its technological capabilities, diversified product offerings and established customer relationships. JCAL's machines cater to various industries like, Automobile, Aerospace, Allied Machinery, Agriculture, Die & Mould manufacturers, Diamond and Jewellery Industry, Defence, Medical Equipment, Plastic Processing Machines, Power and Textile Machinery. JCAL offers over 200 product variants and has an installed base of more than 1,30,000 machines globally, reflecting its established market presence and wide customer reach.

The company operates manufacturing facilities at Rajkot, Gujarat, and through its subsidiary Huron Graffenstaden SAS in Strasbourg, France.

Key Financial Indicators (Consolidated):**(Rs. Crore)**

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY2027
	Audited	Audited	Unaudited
Total Operating Income	1817.70	2093.13	508.47
EBITDA	490.86	526.75	108.83
PAT	316.01	336.00	57.14
Total Debt	496.84	852.75	-
Tangible Net Worth (TNW)	1654.58	1948.85	-
EBITDA Margin (%)	27.00	25.17	-
PAT Margin (%)	17.25	15.60	-
Overall Gearing (times)	0.30	0.44	-
Interest Coverage (times)	11.66	7.54	-

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Financials (Standalone):**(Rs. crore)**

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY2027
	Audited	Audited	Unaudited
Total Operating Income	1615.03	1949.01	598.70
EBITDA	458.28	564.21	191.10
PAT	310.06	391.25	135.03
Total Debt	198.45	592.39	-
Tangible Net Worth (TNW)	2046.22	2413.32	-
EBITDA Margin (%)	28.38	28.95	-
PAT Margin (%)	19.00	19.53	-
Overall Gearing (times)	0.10	0.25	-
Interest Coverage (times)	26.40	10.55	-

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)

[Policy on Default Recognition and Post Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Consolidation of Companies](#)

Status of non-cooperation with previous CRA: Brickwork Ratings through its press release dated June 09, 2026 continued the rating of JCAL in the 'Issuer Not Cooperating' category on account of inadequate information received from the entity to carry out the review.

Any other information: Nil

Rating History for last three years

Sr. No.	Instruments/Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years				
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26			Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
					April 21, 2026	Feb 10, 2026	July 09, 2025	June 27, 2024	April 26, 2023
1.	Fund based facilities	LT	990.00	IVR A+/Positive	IVR A+/Stable	IVR A+/Stable	IVR A+/Stable	-	IVR BBB+/Stable
2.	Non-fund-based facilities	LT/ST	424.11	IVR A+/Positive; IVR A1	IVR A+/Stable; IVR A1	IVR A+/Stable; IVR A1	IVR A+/Stable; IVR A1	IVR A-/Stable; IVR A1	IVR A2

Annexure 1: Instrument/Facility Details

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/Outlook	Listing Status	Regulator ^	<u>Complexity Indicator</u>
Term Loan	-	-	-	Sept 2033	300.00	IVR A+/Positive	NA	RBI	Simple
Cash Credit	-	-	-	-	110.00	IVR A+/Positive	NA	RBI	Simple
Cash Credit	-	-	-	-	300.00	IVR A+/Positive	NA	RBI	Simple
Cash Credit	-	-	-	-	50.00	IVR A+/Positive	NA	RBI	Simple
Letter of Credit	-	-	-	-	160.00	IVR A+/Positive; IVR A1	NA	RBI	Simple
Standby Letter of Credit	-	-	-	-	108.90	IVR A+/Positive; IVR A1	NA	RBI	Simple
Standby Letter of Credit	-	-	-	-	155.21	IVR A+/Positive; IVR A1	NA	RBI	Simple
Proposed	-	-	-	-	230.00	IVR A+/Positive	NA	RBI	Simple

^Kindly note that for activities or 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.

Annexure 2: Facility wise lender details:

[https://infomericsstorage.blob.core.windows.net/uploads/Len_Iyoti CNC Auto26 Oct26 e51d04026b.pdf](https://infomericsstorage.blob.core.windows.net/uploads/Len_Iyoti_CNC_Auto26_Oct26_e51d04026b.pdf)

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for Consolidated analysis:

Name of the company/ entity	Extent for Consolidation	Rationale for Consolidation
Jyoti SAS	Fully Consolidated	Subsidiary
Huron Graffenstaden SAS	Fully Consolidated	Wholly owned step-down subsidiary
Huron Frasmachines, GmbH	Fully Consolidated	Wholly owned step-down subsidiary
Huron Canada Inc	Fully Consolidated	Wholly owned step-down subsidiary
Huron Makina Servis Ve Dis Ticarate Limited Sirketi	Fully Consolidated	Wholly owned step-down subsidiary

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* \$	RBI
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 Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-

Sr. No.	Instrument / activity Name	Regulator of the instruments
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	+
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

Footnotes:

* 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), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with 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 during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: For activities or 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.

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