

Press Release

Jai Durga Iron Private Limited

January 17, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	2.25		ACUITE A4 Downgraded Issuer not co-operating*
Bank Loan Ratings	13.44	ACUITE B+ Downgraded Issuer not co-operating*	
Total	15.69	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 15.69 crore bank facilities of Jai Durga Iron Private Limited(JDIPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Incorporated in 2003, JDIPL is engaged in manufacturing of sponge iron and mild steel ingots based at Jhumri Teliya (Jharkhand). JDPL has manufacturing units with an installed capacity of 48000 MTPA for sponge iron and 16500 MTPA for mild steel ingots. The company is promoted by Mr. Binod Kumar Bajaj and Mr. Krishna Kumar Agarwal. Currently, the business is managed by the promoters and the second generation of the Bajaj and Agarwal family.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not - cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored together information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

Not applicable.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Oct 2020	Proposed Bank Facility	Long Term	1.44	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	12.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
25 Jul 2019	Proposed Bank Facility	Long Term	1.44	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE BB Stable (Reaffirmed)
	Letter of Credit	Short term	2.25	ACUITE A4+ (Reaffirmed)
10 Jun 2019	Cash Credit	Long Term	12.00	ACUITE BB (Issuer not co-operating*)
	Standby Line of Credit	Short Term	1.20	ACUITE A4+ (Issuer not co-operating*)
	Derivative Exposure	Short Term	0.24	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Issuer not co-operating*)
16 Mar 2018	Cash Credit	Long Term	12.00	ACUITE BB Stable (Reaffirmed)
	Standby Line of Credit	Short Term	1.20	ACUITE A4+ (Reaffirmed)
	Derivative Exposure	Short Term	0.24	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Reaffirmed)

13 Oct 2016	Cash Credit	Long Term	12.00	ACUITE BB Stable (Reaffirmed)
	Standby Line of Credit	Short Term	1.20	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Reaffirmed)
	Derivative Exposure	Short Term	0.24	ACUITE A4+ (Reaffirmed)
11 Sep 2015	Cash Credit	Long Term	12.00	ACUITE BB Stable (Assigned)
	Standby Line of Credit	Short Term	1.20	ACUITE A4+ (Assigned)
	Letter of Credit	Long Term	2.25	ACUITE A4+ (Assigned)
	Derivative Exposure	Short Term	0.24	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE A4 Downgraded Issuer not co-operating* (from ACUITE A4+)
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.44	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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