

Press Release

Jai Balaji Jyoti Steels Limited

February 10, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	55.97	ACUITE B- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	0.81	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	56.78	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long term rating of 'ACUITE B-' (read as ACUITE B minus) and the short term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs.56.78 crore bank facilities of Jai Balaji Jyoti Steels Limited. The rating is flagged as "Issuer Not Cooperating" on account of information risk.

About the Company

Jai Balaji Jyoti Steels Ltd (JBJS) was incorporated in 2003 by the Jajodia family of Kolkata. The company belongs to the Jai Balaji group and is an established steel manufacturer in eastern India. JBJS is engaged in manufacturing of sponge iron and MS billets at Sundargarh, Orissa, with the installed capacity of 120000 MTPA and 111420 MTPA respectively. Currently, the company managed by Mr. Aditya Jajodia, Mr. Rajiv Jajodia and Mr. Santosh Kumar Shah among others.

Non-cooperation by the issuer/borrower

Acuité 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. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

"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

None

Key Financials:

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

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
01 Dec 2020	Bank Guarantee	Short Term	0.81	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	38.00	ACUITE B- Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE B- Stable (Reaffirmed)
	Cash Credit	Long Term	7.97	ACUITE B- Stable (Reaffirmed)
04 Nov 2019	Bank Guarantee	Short Term	0.81	ACUITE A4 (Upgraded from ACUITE D)
	Letter of Credit	Short Term	5.00	ACUITE A4 (Withdrawn)
	Cash Credit	Long Term	7.97	ACUITE B- Stable (Upgraded from ACUITE D)
	Cash Credit	Long Term	38.00	ACUITE B- Stable (Upgraded from ACUITE D)
	Cash Credit	Long Term	10.00	ACUITE B- Stable (Upgraded from ACUITE D)
31 Jan 2019	Cash Credit	Long Term	38.00	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	7.97	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE D (Reaffirmed)
15 Jan 2018	Cash Credit	Long Term	38.00	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	7.97	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	2.00	ACUITE D (Reaffirmed)
26 Sep 2017	Cash Credit	Long Term	38.00	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	7.97	ACUITE D (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE D (Issuer not co-operating*)
	Letter of Credit	Short Term	5.00	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	2.00	ACUITE D (Issuer not co-operating*)
19 Aug 2016	Cash Credit	Long Term	55.97	ACUITE D (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE D (Assigned)
		Short		

	Bank Guarantee	Term	2.00	ACUITE D (Assigned)	
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Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.81	ACUITE A4 Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	38.00	ACUITE B- Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.97	ACUITE B- Reaffirmed Issuer not co-operating*
The Federal Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B- Reaffirmed Issuer not co-operating*

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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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