



Press Release
Jayachandran Alloys Private Limited
January 07, 2025
Rating Reaffirmed & Withdrawn and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings | 75.72 | ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 0.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 75.72 | - | - |

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reaffirmed and withdrawn its long-term rating of 'ACUITE BB' (read as ACUITE double Bo) on the Rs.75.72 Cr. bank facilities of Jayachandran Alloys Private Limited (JAPL).

This rating is now flagged as Issuer not cooperating on account of information risk and is based on best available information.

The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the company and No Objection Certificate (NOC) received from the banker.

About the Company

Tamil Nadu based Jayachandran Alloys Private Limited (JAPL) was incorporated in the year 2006 by Mr. Anbalagan and his four brothers. The company is engaged in manufacturing of lead alloys from lead battery scrap. The company has its facility located in Perundurai (Tamil Nadu) with installed capacity of 54000 tons per annum. The day to day operations of the company are managed by Mr. C Pradeep, Managing director.

Unsupported Rating

Not applicable

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with 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 has endeavoured to gather 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.

Rating Sensitivities

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

Liquidity Position

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

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 24 (Provisional) | FY 23 (Actual) |
|-------------------------------|---------|---------------------|----------------|
| Operating Income | Rs. Cr. | 479.27 | 371.84 |
| PAT | Rs. Cr. | 3.55 | 2.61 |
| PAT Margin | (%) | 0.74 | 0.70 |
| Total Debt/Tangible Net Worth | Times | 2.55 | 2.62 |
| PBDIT/Interest | Times | 1.94 | 2.08 |

Status of non-cooperation with previous CRA

Not applicable

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

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|-----------------------------------|------------|-----------------|---|
| 16 Jul 2024 | Bills Discounting | Long Term | 29.77 | ACUITE BB Stable (Downgraded from ACUITE BB+) |
| | Working Capital Term Loan | Long Term | 3.17 | ACUITE BB Stable (Downgraded from ACUITE BB+) |
| | Term Loan | Long Term | 1.28 | ACUITE BB Stable (Downgraded from ACUITE BB+) |
| | PC/PCFC | Long Term | 41.50 | ACUITE BB Stable (Downgraded from ACUITE BB+) |
| 28 May 2024 | Term Loan | Long Term | 1.47 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable) |
| | Bills Discounting | Long Term | 28.00 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable) |
| | Working Capital Term Loan | Long Term | 3.17 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable) |
| | Term Loan | Long Term | 1.58 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable) |
| | PC/PCFC | Long Term | 41.50 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB Stable) |
| 28 Feb 2023 | Term Loan | Long Term | 1.47 | ACUITE BBB Stable (Reaffirmed) |
| | Bills Discounting | Long Term | 14.59 | ACUITE BBB Stable (Reaffirmed) |
| | Bills Discounting | Long Term | 13.41 | ACUITE BBB Stable (Assigned) |
| | Working Capital Term Loan | Long Term | 3.17 | ACUITE BBB Stable (Reaffirmed) |
| | Term Loan | Long Term | 1.58 | ACUITE BBB Stable (Reaffirmed) |
| | PC/PCFC | Long Term | 30.00 | ACUITE BBB Stable (Reaffirmed) |
| | PC/PCFC | Long Term | 11.50 | ACUITE BBB Stable (Assigned) |
| 08 Mar 2022 | Proposed Short Term Bank Facility | Short Term | 1.99 | ACUITE A2 (Reaffirmed) |
| | Term Loan | Long Term | 0.03 | ACUITE BBB Stable (Reaffirmed) |
| | Term Loan | Long Term | 0.87 | ACUITE BBB Stable (Reaffirmed) |
| | Term Loan | Long Term | 0.76 | ACUITE BBB Stable (Reaffirmed) |
| | Term Loan | Long Term | 1.91 | ACUITE BBB Stable (Reaffirmed) |
| | Bills Discounting | Long Term | 11.00 | ACUITE BBB Stable (Reaffirmed) |
| | Working Capital Term Loan | Long Term | 4.25 | ACUITE BBB Stable (Reaffirmed) |
| | PC/PCFC | Long Term | 16.57 | ACUITE BBB Stable (Reaffirmed) |
| | PC/PCFC | Long Term | 13.43 | ACUITE BBB Stable (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|---------------------|----------------------|---------------------------|----------------------|----------------------|----------------------|-------------------|------------------|---|
| Kotak Mahindra Bank | Not avl. / Not appl. | Bills Discounting | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 29.77 | Simple | ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | PC/PCFC | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 41.50 | Simple | ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | 25 Jun 2025 | 1.28 | Simple | ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating* |
| Kotak Mahindra Bank | Not avl. / Not appl. | Working Capital Term Loan | 25 Jan 2021 | Not avl. / Not appl. | 05 Jan 2025 | 3.17 | Simple | ACUITE BB Reaffirmed & Withdrawn Issuer not co-operating* |

* The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research

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