

JBF Industries Limited (Revised)

August 18, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	426.83	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	1,600.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	2,026.83 (₹ Two Thousand Twenty-Six Crore and Eighty-Three Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from JBF Industries Limited to monitor the rating(s) vide e-mail communications dated June 26, 2022, July 06, 2022 and July 16, 2022. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on JBF's bank facilities will now be denoted as **CARE D, ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The rating continues to take into account ongoing delays in interest servicing related to the term loans and NPA classification of account by lenders.

Detailed description of the key rating drivers

At the time of last rating on March 28, 2019 the following were the rating strengths and weaknesses (updated for the information available from audited financial available from Stock Exchange fillings):

Key Rating weakness:
Ongoing delays in debt servicing

Delays in servicing of debt obligation by the company due to its weakened liquidity position

Analytical approach: Standalone

Applicable Criteria:

[Policy on default recognition](#)

[Policy in respect of Non-cooperation by issuer](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Manufacturing Companies](#)

[Cotton Textile](#)

[Manmade Yarn Manufacturing](#)

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

About the Company

Established in 1982, JBF Industries Limited (JBF) was founded by Mr. Bhagirath Arya as a Yarn Texturising company, since then it has established and expanded capacities into Polyester Chips (textile grade, bottle grade and film grade), Partially Oriented Yarn (POY) and Polyester (BOPET) film. It also manufactures Fully Drawn Yarn (FDY) and Polyester Texturised Yarn (PTY). Today, JBF is one of the leading Polyester value chain company not only in India but globally. On a standalone basis, JBF is predominantly polyester chips (textile grade & bottle grade) and POY player. Having established itself in the domestic market, JBF ventured into overseas markets by setting up a packaging-grade polyester chips plant, JBF RAK LLC in the emirate of Ras AI Khaimah in 2005. Further, it also commissioned a Polyester (BOPET) film plant at Bahrain in 2014 and bottle grade Polyester chips plant at Geel, Belgium in 2014. The manufacturing facilities of JBF are located in Silvassa, Vapi, UAE, Bahrain and Belgium. JBF became a public limited company in 1986 and is listed on NSE as well as BSE.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	Q1FY23
Total operating income	2,210.22	3,292.19	NA
PBILDT	138.69	250.15	NA
PAT	-193.53	-1,170.47	NA
Overall gearing (times)	13.77	-2.52	NA
Interest coverage (times)	0.57	1.00	NA

A: Audited; NA: Not Available

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

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 along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March, 2020	26.83	CARE D; ISSUER NOT COOPERATING*
Non-fund-based-Short Term		-	-	-	1600.00	CARE D; ISSUER NOT COOPERATING*
Fund-based-Long Term		-	-	-	400.00	CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating history for the 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	26.83	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (10-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (21-May-20)	-
2	Non-fund-based-Short Term	ST	1600.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (10-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (21-May-20)	-
3	Fund-based-Long Term	LT	400.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (10-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (21-May-20)	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities- Not applicable**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based-Long Term	Simple
3	Non-fund-based-Short Term	Simple

Annexure-5: Bank lender details for this companyTo view the lender wise details of bank facilities please [click here](#)

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

Contact us

Media contact

Name: Mradul Mishra

Phone: +91-22-6754 3596

E-mail: mradul.mishra@careedge.in

Analyst contact

Name: Soumya Dasgupta

Phone: 022-67543456

E-mail: soumya.dasgupta@careedge.in

Relationship contact

Name: Saikat Roy

Phone: +91-98209 98779

E-mail: saiikat.roy@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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