

JBF Industries Limited

August 17, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	426.83	CARE 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*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE has been seeking information from JBF Industries Limited to monitor the rating(s) vide e-mail communications dated July 04, 2023, July 14, 2023, and July 24, 2023. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant of 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 continue to 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.

Analytical approach: Standalone

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 filings)

Key weaknesses

Ongoing delays in debt servicing

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

Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

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

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Cotton Textile](#)

[Manmade Yarn Manufacturing](#)

[Manufacturing Companies](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

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

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

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, 2022 (A)	March 31, 2023 (A)	Q1FY24 (UA)
Total operating income	3,292.19	1,109.52	NA
PBILDT	250.15	-33.67	NA
PAT	-1,170.47	-1,853.46	NA
Overall gearing (times)	-2.52	-0.83	NA
Interest coverage (times)	1.00	-0.14	NA

A: Audited UA: Unaudited; NA: Not available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: India Ratings, vide its press release dated May 15, 2023, has retained credit rating of bank facilities of JBF Industries Limited under non-cooperation category.

Any other information: Not applicable

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

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

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	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*
Fund-based-Long Term		-	-	-	400.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based-Short Term		-	-	-	1600.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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 2023-2024	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
1	Fund-based - LT-Term Loan	LT	26.83	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (18-Aug-22)	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* (18-Aug-22)	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* (18-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (10-Aug-21)	1)CARE D; ISSUER NOT COOPERATING* (21-May-20)

*Issuer did not cooperate; based on best available information.

*Long term/Short term.

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

Sr. No.	Name of the 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: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the 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

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About us:

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