

Jayaswal Neco Industries Limited

January 24, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Short Term Bank Facilities (Proposed)	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has withdrawn the outstanding rating of 'CARE A4+' assigned to the proposed bank facilities of Jayaswal Neco Industries Limited (JNIL) with immediate effect.

The above action has been taken at the company's request and as per our withdrawal policy. The company has not availed the aforementioned proposed bank facilities rated by CARE Ratings and hence there is no outstanding under the said facility as on date.

Analytical approach

Not applicable

Applicable criteria

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Commodities	Metals & mining	Ferrous metals	Iron & steel

JNIL, incorporated in 1972, began operations with foundry units at Nagpur and subsequently it integrated backward by setting up a pig iron (with captive power) manufacturing unit at Raipur, Chhattisgarh, in 1995. At present, JNIL operates a 0.75 Mtpa blast furnace, 0.20 Mtpa coke oven plant, 0.80 Mtpa sinter plant, 0.25 Mtpa sponge iron unit, 1.50 Mtpa pelletisation unit, 1.0 Mtpa steel melting shop and rolling mills, 54.5 MW captive power plants and has two captive iron ore mines in Chhattisgarh. It has got iron and steel castings operating capacity of 0.075 Mtpa, with its facilities located in Maharashtra and Chhattisgarh.

JNIL is primarily engaged in the manufacturing of alloy steels – wire rods, bars, bright bars along with steel billets, pig iron/DRI, sponge iron, pellets and iron & steel castings. The products manufactured by the company find applications in automotive and auto components, engineering, power, railways, and construction sectors in the domestic market.

Brief Financials (₹ crore)	FY22 (A)	FY23 (A)	H1FY24 (UA)
Total operating income	5,959.85	6,343.53	2,965.93
PBILDT	1,302.25	786.06	503.80
PAT	2,247.29@	226.87	119.19
Overall gearing (including acceptances) (times)	2.12	1.69	1.52
Interest coverage (times)	2.84	1.73	2.37
Adjusted Interest coverage (times)^	15.03	5.46	NA

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

@includes exceptional income

^based on actual interest payout

The financials have been reclassified as per CARE Ratings' standards.

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

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

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
Non-fund-based - ST-BG/LC		-	-	-	0.00	Withdrawn

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	Non-fund-based - ST-BG/LC	ST	-	-	1)CARE A4+ (02-Jan-24)	1)CARE A4+ (26-Dec-22)	-	-

LT/ST: Long term/Short term.

Annexure-3: Detailed explanation of the 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	Non-fund-based - ST-BG/LC	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:

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.

Disclaimer:

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