

Jay FE Cylinders Limited

June 05, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	47.25	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	62.00	CARE A4; 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 Ratings Ltd. had, vide its press release dated April 18, 2023, placed the rating(s) of Jay FE Cylinders Limited (JFCL) under the 'issuer non-cooperating' category as JFCL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. JFCL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 03, 2024, March 13, 2024, March 23, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

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

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 18, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the company

Jay FE Cylinders Ltd, incorporated in the year 2008, is an ISO 9001:2008 and ISO/TS 16949:2009 certified business entity engaged in manufacturing of high-pressure seamless cylinders for storage of high-pressure gases such as compressed natural gas (CNG) for auto industry. Company has collaboration with JFE Containers and Marubeni Automotive (Japan) for providing technical know-how to Jay FE Cylinders Ltd. In May 2020, JFECL was merged into Lizer Cylinders Limited (group entity) and post-merger Lizer Cylinders Limited (LCL) changed its name to Jay Fe Cylinders Limited. The company has 2 manufacturing plants located in Bawal, Haryana and Gandhidham, Gujarat.

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

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	537.78	637.82
PBILDT	48.68	64.06
PAT	19.46	7.83
Overall gearing (times)	1.62	1.06
Interest coverage (times)	7.35	4.45

A-Audited, Note: 'the above results are latest financial results available'.

Status of non-cooperation with previous CRA: BRICKWORK has continued the ratings assigned to the bank facilities of JFCL into 'Issuer not-cooperating' category vide press release dated March 20, 2024 on account of non-availability of requisite information from the company.

Any other information: Not Applicable

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

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

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

Lender details: Please refer 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-Cash Credit		-	-	-	15.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	November,2024	13.80	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Letter of credit		-	-	-	18.45	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-LC/BG/LOU(Letter of Undertaking) (Short term)		-	-	-	62.00	CARE A4; 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 2024-2025	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
1	Fund-based - LT-Cash Credit	LT	15.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (15-Mar-22)
2	Non-fund-based - ST-LC/BG/LOU(Letter of Undertaking) (Short term)	ST	62.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (15-Mar-22)
3	Non-fund-based - LT-Letter of credit	LT	18.45	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (15-Mar-22)
4	Fund-based - LT-Term Loan	LT	13.80	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (18-Apr-23)	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (15-Mar-22)

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

LT: Long term; ST: 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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT-Letter of credit	Simple
4	Non-fund-based - ST-LC/BG/LOU(Letter of Undertaking) (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.

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About us:

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