Jay Bee Laminations Limited

December 29, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	95.00 (Enhanced from 20.00)	CARE BBB; Stable	Reaffirmed
Long-term / Short-term bank facilities	35.00	CARE BBB; Stable / CARE A3+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings assigned to bank facilities of Jay Bee Laminations Limited (JBLL) factors in improvement in operational performance in FY25 (refers to April 01, 2024 to March 31, 2025) as reflected by growing scale of operations and improvement in profitability margins. Ratings continue to derive strength from comfortable capital structure and debt coverage indicators owing to accretion of profits to reserves and infusion of funds through Initial Public Offer (IPO), promoters' long-standing industry experience and established relationship with customers and suppliers.

However, ratings remain constrained by working capital intensive operations, due to high inventory in FY25, leading to inventory losses and deterioration in operating margin in H1FY26 (refers to April 01, 2025 to September 30, 2025), raw material price volatility, foreign currency risk, and intense competition in the industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in total operating income (TOI) above ₹450 crore and improvement in margins above 12% on a sustained basis.
- Improvement in working capital requirement resulting gross current asset days below 120 days.

Negative factors

- Decline in TOI below ₹300 crore or profit before interest, lease rentals, depreciation and taxation (PBILDT) margins below 10% on a sustained basis.
- Significant increase in working capital requirements resulting in weakening of liquidity position.
- Any debt-funded capex leading to deterioration in overall gearing above 1.00x on a sustained basis.
- Deterioration in debt coverage indicators with total debt to gross cash accruals (TD/GCA) above 5.00x

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') opinion that JBLL will continue to benefit from its experienced promoters and established relationship with its customers and suppliers.

Detailed description of key rating drivers:

Key strengths

Comfortable capital structure and debt coverage indicators

The entity's capital structure stood comfortable, as marked by an overall gearing of 0.33x as on March 31, 2025 (0.88x as on March 31, 2024). Its debt profile largely comprises external debt in the form of working capital and term debt. The total outside liabilities to net worth stood low at 0.55x as on March 31, 2025 (1.18x as on March 31, 2024). The improvement in capital structure was considering profit accretion to reserves and infusion of equity through IPO, leading to increase in net worth base to ₹147.63 crore as on March 31, 2025 from ₹62.96 crore as on March 31, 2024. Debt coverage indicators further improved due to improvement in profitability and stable debt levels, as marked by comfortable PBILDT interest coverage of 6.09x in FY25 (5.33x in FY24) and moderate TD/GCA of 1.76x in FY25 (2.75x in FY24). Debt coverage indicators are expected to slightly moderate in FY26 owing to decline in profitability.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Growing scale of operations with improvement in profitability margins
In FY25, JBLL's TOI grew by ~21% to ₹367.82 crore (PY: ₹303.05 crore) on account of higher sales volumes of 12,400 MT (PY: 9,389 MT), despite decline in realisations, backed by higher demand of CRGO cut steel cores laminations from transformer manufacturers. In H1FY26, the company reported TOI ₹218.73 crore and is expected to book TOI of ₹450 crore in FY26. The company has ventured into transformer manufacturing and engineering, procurement, and construction (EPC) segment, which would further drive improvement in scale in medium term. JBLL has unexecuted orderbook of ₹267.49 crore for its EPC segment, to be executed in 12-24 months.

The company's profitability margins improved in FY25, marked by PBILDT margin and profit after taxation (PAT) margin which stood at 11.79% and 6.89%, respectively (PY: 10.48% and 6.39%), considering better absorption of fixed costs on higher utilisation of capacity. However, in H1FY26, the company reported PBILDT margin of 4.82% and PAT margin of 1.69%, owing to high-cost inventory carried into the period. However, with most of the high-cost inventory liquidated by end of H1FY26, operating margins are expected to normalise in H2FY26, which is a key monitorable.

Experienced promoters and established customer–supplier relationships
JBLL is supported by promoters having over four decades of experience in the CRGO silicon steel cores segment, backed by a well-established operational track record. The promoters' sustained presence in the industry and the company's consistent operating history have enabled JBLL to build a stable market position and long-standing relationships with both customers and suppliers. The company benefits from strong expertise in raw material sourcing and supply chain management, supported by well-established relationships with domestic and international cold rolled grain oriented (CRGO) steel suppliers, facilitating efficient and timely procurement. JBLL has developed a geographically diversified customer base, with exports to countries such as Saudi Arabia and Nepal, in addition to its domestic presence.

Key weaknesses

Inventory losses in H1FY26 due to exposure to raw material price volatility and foreign exchange risk
The company's operating margins remain susceptible to raw material price volatility, given its need to maintain moderate inventory level. Owing to these volatilities in raw material prices, JBLL has incurred inventory losses in H1FY26, which has led to moderation in operating margins to 4.82% (H1FY25: 14.82%). As a portion of raw material requirements is met through imports, the company is exposed to foreign exchange fluctuations, although it reported a net forex gain of ₹0.37 crore in FY25 (PY: ₹0.14 crore).

Elongated working capital cycle
JBLL's operations remain working capital intensive, with the working capital cycle elongating to 85 days in FY25 from 69 days in FY24. This is primarily driven by inventory holding requirements and limited credit availability from suppliers, as raw material procurement from overseas suppliers is largely undertaken against letters of credit (LCs) or on an advance payment basis. While domestic suppliers are generally paid through LCs, the company receives open credit of 60–90 days in select cases where long-standing relationships exist. The inventory holding period increased to 67 days in FY25 from 53 days in FY24, mainly due to inventory build-up given raw material availability concerns during FY25 and elevated stocking ahead of the proposed capacity addition over the next 3–4 months and the commencement of a new transformer manufacturing division. On the receivables side, JBLL typically receives payments within 45-90 days from established customers in the CRGO segment, while other sales are largely on an advance or LC basis, with the average collection period remaining stable at 65 days in FY25 (PY: 63 days). The gross current asset days stood high at 195 days as on March 31, 2025, against 150 days as on March 31, 2024.

Intense competition in the industry
The transformer laminations, cores, and coils manufacturing segment is highly fragmented, with the presence of both organised and unorganised players, resulting in intense competition. Nonetheless, demand prospects remain supported by expected growth in the transformer industry, driven by rising industrial energy demand and ongoing expansion of transmission and distribution infrastructure.

Liquidity: Adequate

The liquidity position of the company is adequate marked by expected GCA of ~₹14-15 crore in FY26 against which the company has nominal debt repayment obligation of ₹3.36 crore. The fund based and non-fund based working capital limits were utilised at ~50% and 61% in the last 12 months ended September 2025. The company has no major capex planned in near future. While the current ratio was at 2.64x, its quick ratio remained comfortable at 1.58x as on March 31, 2025. The cash flow from operations was negative at ₹29.77 crore in FY25 (PY: ₹14.17 crore) due to large amount of funds being tied up in inventories. Unencumbered cash and bank balance was ~₹2.06 crore as on September 30, 2025.

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default]
[Liquidity Analysis of Non-financial sector entities]
[Rating Outlook and Rating Watch]
[Manufacturing Companies]
[Financial Ratios – Non financial Sector]
[Short Term Instruments]

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Industrial products	Other industrial products

Incorporated in March 1988, JBLL was promoted by Munish Kumar Aggarwal and presently is being managed by his son, Mudit Aggarwal, Managing Director of the company, and supported by Sunita Aggarwal (Director). The company is engaged in manufacturing CRGO Silicon steel cores for the power and distribution transformer industry. The company offers slit coils, cut laminations, and assembled cores with three manufacturing facilities in Noida and Greater Noida (156,450 sq. ft.) and 350+ professional workforce. The company has also recently ventured into providing comprehensive turnkey solutions covering survey, design, engineering, supply, testing, commissioning and installation for electrical substations, transmission and distribution lines, electrification and building projects.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	303.05	367.82	218.73
PBILDT*	31.75	43.36	10.55
Profit after tax (PAT)	19.36	25.39	3.69
Overall gearing (x)	0.88	0.33	NA
Interest coverage (x)	5.33	6.09	2.99

A: Audited UA: Unaudited; NA: Not available Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA:
ACUITE has continued the rating assigned to bank facilities of JBLL into ISSUER NOT COOPERATING category vide press release dated July 24, 2025, considering its inability to carry out a review in the absence of requisite information from the company. BRICKWORK has continued the rating assigned to bank facilities of JBLL into ISSUER NOT COOPERATING category vide press release dated November 11, 2025, considering its inability to carry out a review in the absence of requisite information from the company.

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	95.00	CARE BBB; Stable
Non-fund-based - LT/ ST-Letter of credit		-	-	-	35.00	CARE BBB; Stable / CARE A3+

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Cash Credit	LT	95.00	CARE BBB; Stable	-	1)CARE BBB; Stable (30-Dec-24) 2)CARE BBB-; Stable (23-Apr-24)	-	-
2	Non-fund-based - LT/ ST-Letter of credit	LT/ST	35.00	CARE BBB; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3+ (30-Dec-24) 2)CARE BBB-; Stable / CARE A3 (23-Apr-24)	-	-

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Letter of credit	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

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

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