

JSB Aluminium Private Limited

March 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	30.00 (Reduced from 34.00)	CARE BB; Stable	Reaffirmed
Short Term Bank Facilities	0.10	CARE A4	Reaffirmed
Long Term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of the ratings assigned to the bank facilities of JSB Aluminium Private Limited (JSB) factors in moderate scale of operations, low profitability margins and moderate capital structure coupled with weak debt coverage indicators. The ratings are further constrained by exposure to raw material price volatility and foreign exchange fluctuation risk. The ratings however derive comfort from experienced promoters, reputed clientele base albeit concentrated and comfortable operating cycle.

CARE has withdrawn the outstanding rating assigned to the term loan facility of JSB on receipt of no dues certificate from the respective lender.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale up of operations above Rs. 450 crores with PBILDT margin of ~2.50% on sustained basis
- Improvement in debt coverage indicators as marked by interest coverage ratio of above 1.75x.

Negative factors

- Significant decline in scale of operations below Rs. 250 crores with PBILDT margins falling below ~2.00% on sustained basis.
- Sustained deterioration in the solvency position with an overall gearing ratio of above 2.5x owing to increased working capital dependence.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes JSB will continue to benefit from the vast experience of the promoters in the industry and their established relationships with customers.

Detailed description of key rating drivers:

Key weaknesses

Moderation in scale of operations

JSB Aluminium's revenue profile remained moderated in FY25 (refers to the period from April 01, 2024 to March 31, 2025), with total operating income at ₹264.12 crore, compared to ₹326.50 crore in FY24. The decline was primarily driven by significant fluctuations in aluminium prices, which weakened end-user demand and pressured realisations. The revenue performance was further affected by lower off-take from key automotive customers, whose decline in passenger vehicle market share led to reduced order volumes in the year. The company's ability to sustain growth in operational performance will remain a key credit monitorable.

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

Thin profitability margins

The company's profitability margins have historically remained thin, staying within the 2-3% range due to limited value addition. The profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin remained broadly stable at 2.82% in FY25 compared to 2.88% in FY24. Similarly, the profit after tax (PAT) margin stood at 0.50% in FY25 (PY: 0.50%) and remained aligned with the overall PBILDT performance. As aluminium prices are benchmarked to the London Metal Exchange (LME), which has exhibited significant volatility in recent years, secondary producers such as JSB remain exposed to fluctuations that can materially impact profitability.

Moderate Capital structure and weak coverage indicators

The entity's capital structure stood leveraged, as marked by an overall gearing of 1.56x as of March 31, 2025 (1.86x as of March 31, 2024) and high reliance on external debt. Debt coverage indicators stood weak, as marked by an interest coverage ratio of 1.54x in FY25 (1.52x in FY24) and total debt to gross cash accruals (TD/GCA) of 14.83x in FY25 (13.90x in FY24).

Foreign exchange fluctuation risk

JSB procured ~53% of its raw material through imports in FY25. With initial cash outlay for procurement in foreign currency and sales realisation in domestic currency, the company remains exposed to fluctuation in exchange rates. Further, the company does not have any hedge policy in place and profitability margins are exposed to volatility in foreign exchange. The company earned ₹0.03 crore in FY25 due to forex fluctuation (PY: forex gain of ₹0.12 crore).

Susceptibility of margins to volatility in raw material prices

The main raw material of the company is aluminium scrap which is linked to international commodity indices, which exposes it to inherent volatility associated with aluminium prices, while its sales prices are dictated by the demand-supply dynamics in the domestic market for its various products. The raw material costs have been a major contributor to the total costs comprising ~80-85%. The company is exposed to raw material price volatility risk considering the volatility in aluminium prices.

Key strengths**Comfortable Working Capital Cycle**

JSB's working capital cycle remained comfortable as reflected by an operating cycle of 52 days in FY25 compared to 45 days in FY24, and the slight moderation was mainly due to an increase in inventory days. The company maintained adequate raw materials for smooth running of business operations and adequate inventory of finished goods to meet customer demand, resulting in an average inventory period of ~30 days in FY25. The company offered credit of ~one month to its customers and received ~half-month credit from its suppliers, resulting in average creditors days of 5 days in FY25.

Reputed clientele base albeit concentration risk

The clientele of JSB includes large automobile and auto parts manufacturers such as Maruti Suzuki India Limited (MSIL), Honda Cars India Limited, and Rico Auto Industries Limited (Rico) among others. The clientele is highly concentrated with the top five customers contributing ~78% of net sales in FY25 with the top two customers, MSIL and Castmaster Industries Private Limited, contributing ~53% of revenue in the year.

Experienced promoters

JSB was incorporated in 2006. The promoters of JSB Aluminium Private Limited, Radhey Shyam Aggarwal and Ashok Kumar Aggarwal, have over three decades of experience in trading ferrous and non-ferrous scrap and over two decades of experience in running the aluminium casting business. Both promoters are actively involved in day-to-day operations of the company and their family, particularly Jagdish Aggarwal (brother of Ashok Kumar Aggarwal and Radhey Shyam Aggarwal) and Anshul Aggarwal (son of Radhey Shyam Aggarwal). The family also runs group concerns including JSB Industries, which is a partnership firm engaged in liquid molten production, and MTJ Industries, a partnership firm engaged in trading metal (steel) scrap.

Liquidity: Stretched

JSB's liquidity position remains stretched, marked by high reliance on working capital borrowings. The average working capital utilization for 12 months ending December 31, 2025, stood at ~95%. The company has generated net cash accrual (NCA) of Rs. 2.22 crore during FY25 and is expected to generate NCA of Rs. 2.43 Crore in FY26, against repayment obligation of approx. Rs. 0.17 crore in the same year. Cash flow from operations stood at ₹4.63 crore, while the current and quick ratios of the company stood at 1.49x and 0.79x respectively as on March 31, 2025. The company is not planning to incur any major capex in the near to medium term.

Assumptions/Covenants: Not applicable

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

Applicable criteria

- [Definition of Default](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Auto Components & Equipments](#)
- [Rating Outlook and Rating Watch](#)
- [Manufacturing Companies](#)
- [Non Ferrous Metal](#)
- [Financial Ratios – Non financial Sector](#)
- [Withdrawal Policy](#)
- [Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals & Mining	Non - Ferrous Metals	Aluminium

Promoters Radhey Shyam Aggarwal and Ashok Kumar Aggarwal were involved in trading of ferrous and non-ferrous scrap in the 1990s. They incorporated M/s Shree Balaji Aluminium Casting in Faridabad, Haryana in the early 2000s. The entity was later renamed M/s Shree Balaji Alloy and operations were shifted to Kathua, Jammu and Kashmir. JSB Aluminium Private Limited (JSB) was incorporated in 2006 and started manufacturing auto grade aluminium ingots at its manufacturing unit in Alwar, Rajasthan. The clientele of JSB includes large automobile and auto parts manufacturers such as Maruti Suzuki India Limited, Honda Cars India Limited and Rico Auto Industries Limited. The plant has three furnaces with capacity of 10 metric tonne per day. The other group concerns of the company are JSB Industries, which is a partnership concern engaged in the business of liquid molten aluminium, and MTJ Industries, which is an associate company engaged in trading of steel scrap.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	10MFY26 (UA)
Total operating income	326.50	264.12	258.50
PBILDT*	9.43	7.45	NA*
Profit after tax (PAT)	1.64	1.33	NA*
Overall gearing (x)	1.86	1.56	NA*
Interest coverage (x)	1.52	1.54	NA*

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: ICRA has reaffirmed the ratings assigned to the bank facilities of JSB, and continued the ratings under the Issuer Not Cooperating (INC) category, vide its press release dated September 16, 2025 on account of its inability to carry out review of ratings 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	31/03/2027	0.00	Withdrawn
Fund-based - LT-Working Capital Limits		-	-	-	30.00	CARE BB; Stable
Fund-based - ST-Forward Contract		-	-	-	0.10	CARE A4

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-Working Capital Limits	LT	30.00	CARE BB; Stable	-	1)CARE BB; Stable (18-Mar-25)	1)CARE BB; Stable (28-Feb-24)	1)CARE BB; Stable (28-Mar-23)
2	Fund-based - ST-Forward Contract	ST	0.10	CARE A4	-	1)CARE A4 (18-Mar-25)	1)CARE A4 (28-Feb-24)	1)CARE A4 (28-Mar-23)
3	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB; Stable (18-Mar-25)	1)CARE BB; Stable (28-Feb-24)	1)CARE BB; Stable (28-Mar-23)

LT: Long term; ST: Short 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-Term Loan	Simple
2	Fund-based - LT-Working Capital Limits	Simple
3	Fund-based - ST-Forward Contract	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.

Contact us

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