Jay bee Laminations Limited

November 20, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term / Short-term bank facilities	RBI	45.00 (Enhanced from 35.00)	CARE BBB; Stable / CARE A3+	Reaffirmed
Long-term bank facilities	RBI	85.00 (Reduced from 95.00)	CARE BBB; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings to bank facilities of Jay bee Laminations Limited (JBLL) factor in the continued expansion of its operating scale, led by higher cold-rolled grain-oriented (CRGO) lamination volumes, contribution from the newly established engineering, procurement, and construction (EPC) vertical and capacity expansion in Unit-II. Ratings also draw strength from promoters' extensive experience, established customer–supplier relationships and comfortable financial risk profile, with debt coverage indicators remaining healthy, despite moderation, owing to lower profitability. Profitability moderated in FY26 (refers to April 01 to March 31) as high-cost inventory carried to H1FY26 (refers to April 01 to September 30) increased the cost of goods sold; however, operating margins slightly normalised in H2FY26 (refers to October 01 to March 31) as most of this high-cost inventory was liquidated.

Ratings remain constrained by large working capital requirements, arising from significant increase in receivables, partly considering the concentration of revenue recognition towards FY26-end and seasonal build-up associated with the EPC business, although suppliers fund a major portion of the requirement. These constraints are further accentuated by intense competition in the fragmented industry, raw material price volatility that resulted in inventory losses, and margin pressure during the year, and foreign exchange risk arising from import dependence. The company's increasing sourcing from Indian subsidiaries and distributors of importers is expected to reduce, but not eliminate, its import and currency exposure.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Continuous improvement in revenue and improvement in profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin above 10% on a sustained basis.
- Improvement in working capital requirements resulting in gross current asset days below 120 days.

Negative factors

- Decline in total operating income (TOI) below ₹300 crore or PBILDT margin below 10% on a sustained basis.
- Significant increase in working capital requirements, resulting in weakening of liquidity.
- Debt-funded capital expenditure 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

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

Improvement in scale of operations, though margins moderated in FY26

JBLL's operating income increased to ₹548.95 crore in FY26 from ₹367.82 crore in FY25, driven by higher CRGO lamination sales volumes and contribution from the newly established EPC business, which accounted for ~26% of revenue in FY26. Capacity

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

expansion at Unit-II and commissioning of Unit-III further supported growth. JBLL maintains an order book of ~2–3 months in the CRGO business and has an unexecuted EPC order book of ₹160 crore, scheduled for execution over 12–15 months. The company reported revenue of ₹212.99 crore in H1FY27.

Despite strong revenue growth, profitability weakened in FY26, due to high-cost inventory carried in H1FY26. PBILDT margin declined to 6.38% in FY26, from 11.80% in FY25, while profit after taxation (PAT) margin moderated to 3.33% from 6.90%. However, profitability margins slightly improved in H2FY26, as the high-cost inventory was largely liquidated. In H1FY27, PBILDT margins and PAT margins stood at 6.95% and 2.64%, respectively. Scale and margins are expected to improve based on orders from EPC and power sector in H2FY27, as most EPC orders are booked in FYH2 and margins are comparatively higher in this segment.

Comfortable though moderated financial risk profile, owing to increased debt

The financial risk profile remained comfortable, supported by an increase in net worth to ₹165.89 crore (PY: ₹147.63 crore) as on March 31, 2026. Overall gearing stood at 0.53x (PY:0.33x), while the debt-equity ratio remained low at 0.04x (PY: 0.08x). TD increased in FY26, primarily due to higher working capital borrowings. Consequently, total outside liabilities to tangible net worth (TOL/TNW) rose to 1.14x (PY: 0.55x) as on March 31, 2026. Debt coverage metrics remained comfortable though moderated in line with lower profitability, with interest coverage of 4.39x (PY: 6.10x) as on March 31, 2026. Leverage indicators remained comfortable, and the company is expected to maintain a healthy financial risk profile, supported by net worth.

Experienced promoters and established customer-supplier relationships

JBLL benefits from promoters with over four decades of experience in the CRGO silicon steel cores industry. Their long-standing industry presence has helped the company establish strong relationships with customers and suppliers, supporting raw material sourcing and business growth.

The company has developed expertise in CRGO processing, precision cutting, and transformer-core assembly, backed by continual investment in manufacturing capabilities. Its diversified customer base, including export presence, and established supplier network are expected to support business growth and operational stability in the medium term.

Key weaknesses

Working capital intensive operations, owing to elevated receivables

JBLL's operations remain working capital intensive, primarily due to elevated receivables, arising from strong revenue growth and seasonal nature of the EPC business. Although debtor days increased in FY26, the overall working capital cycle improved to 79 days from 86 days, supported by lower inventory levels and higher creditor support. Receivables increased at year-end as a significant portion of revenue was booked in the last quarter; however, have shown slight improvement in H1FY27.

Inventory levels declined in FY26, owing to higher sales and improved inventory management, although the company maintained adequate raw material stocks to support capacity expansion. Creditor days increased with support from supplier credit arrangements, partially offsetting working capital requirements. Gross current assets remained elevated at 211 days in FY26 (PY: 197 days), and working capital intensity is expected to stay high in the near term, as the company supports expanded capacity and growing EPC operations.

Intense competition in the industry

JBLL operates in a highly fragmented transformer laminations, cores, and coils industry, facing competition from organised and unorganised players. The competitive landscape places pressure on pricing, margins, product quality, and timely execution. While industry demand is expected to remain healthy, supported by growth in power transmission and distribution, renewable energy integration, grid modernisation, railway electrification, and data centre expansion, intense competition may continue to constrain profitability.

Raw material price volatility and foreign exchange risk

JBLL remains exposed to fluctuations in CRGO steel prices and other input costs, which can materially impact profitability because of inventory holding requirements. The company witnessed margin pressure in FY26, due to inventory losses arising from adverse raw material price movements, particularly in H1FY26. However, the company is working towards reducing its dependence on inventory-based sales by strengthening back-to-back procurement practices, and reduced exposure to high inventory positions.

The company is also exposed to foreign exchange risk as a portion of its raw material requirements is sourced through imports. Although increasing procurement from domestic suppliers along with the Indian subsidiaries and distributors of importers, has

reduced import dependence and is expected to moderate forex exposure, although profitability will continue to remain sensitive to movements in raw material prices and currency fluctuations. JBLL is also targeting to improve its exports FY27 onwards, which is expected to further ease the risk.

Liquidity: Adequate

Liquidity is adequate, supported by adequate headroom in working capital limits as fund-based and non-fund-based working capital limits were utilised at 54% and 56%, respectively, for 12 months ended September 2026. JBLL has generated GCA of ₹22.16 crore in FY26 and is expected to generate ~₹27 crore in FY27, against which the company has debt repayment obligation of ₹2.57 crore. The company has no major capital expenditure (capex) plans in the medium term, apart from negligible maintenance capex funded through internal accruals. Liquidity remains exposed to the company's working capital intensive operations, elongated receivable cycle, and inventory requirements. The current ratio stood at 1.55x as on March 31, 2026. The company's cash flow from operations (CFO) has improved to ₹13.02 crore in FY26 (PY: negative ₹29.38 crore) and unencumbered cash and bank balance of ₹0.37 crore as on March 31, 2026.

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 is managed by Mudit Aggarwal, Managing Director. The company manufactures CRGO silicon-steel laminations and transformer cores at its facilities in Noida and Greater Noida. Its products include slit coils, cut laminations, and assembled cores, and it commenced transformer manufacturing at Unit-III. JBLL also provides turnkey EPC solutions for electrical substations, transmission and distribution lines, electrification, and building projects. The company booked 26% of its revenue from the EPC business in FY26. JBLL completed the expansion of Unit-II, increasing installed capacity from 18,060 MTPA in FY25 to ~24,000 MTPA in FY26. Unit-III has capacity of 1,000 megavolt-amperes (MVA) per annum, with potential to generate ~₹100 crore of annual revenue.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	H1FY27 (UA)
Total operating income	367.82	548.95	212.99
PBILDT*	43.41	35.04	14.81
Profit after tax (PAT)	25.39	18.26	5.62
Overall gearing (x)	0.33	0.53	0.66
Interest coverage (x)	6.10	4.39	2.43

A: Audited; UA: Unaudited; 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 downgraded the rating assigned to bank facilities of JBLL into ISSUER NOT COOPERATING category vide press release dated October 22, 2026, considering its inability to carry out a review in the absence of requisite information from the company. BRICKWORK has retained the rating assigned to bank facilities of JBLL into ISSUER NOT COOPERATING category vide press release dated November 18, 2026, 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

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Not Applicable	-		-	-	85.00	CARE BBB; Stable
Non-fund-based - LT/ ST-Letter of credit	RBI	Not Applicable	-		-	-	45.00	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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	85.00	CARE BBB; Stable	-	1)CARE BBB; Stable (29-Dec-25)	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	45.00	CARE BBB; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3+ (29-Dec-25)	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: 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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