

Rating Rationale

27 Oct 2026

Bee Jay Industrial Corporation

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount (₹ crore)		Rating Assigned & Outlook		Regulator
		Previous	Present	Previous (16 Sep 2025)	Present	
Fund-Based	Long Term	40.00	45.00	BWR BB - /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	BWR BB/Stable upgrade	RBI
		7.00	7.00			
		7.50	7.50			
		1.22	0.08			
		0.00	8.00	-	BWR BB/Stable assignment	RBI
		0.00	1.42			
		55.72	69.00	(Sixty-nine crore Only)		

Note:

1. Please refer to BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated.

RATING ACTION/OUTLOOK

Brickwork Ratings has upgraded and assigned the long-term ratings of BWR BB/Stable for the bank loan facilities of Rs.69.00 Crores of Bee Jay Industrial Corporation

The ratings assigned to the bank facilities of Bee Jay Industrial Corporation. continue to derive strength from its improving track record of operations and the extensive experience of partner's of the firm. The rating also factors in the growing scale of operations and profitability, a partially improved financial risk profile, and an adequate liquidity position. The assessment is based on the audited financial statements of FY 2025 and FY 26 provisionals and projected financial of FY27 and FY28.

The rating outlook has been assigned as "Stable" as BWR believes that Bee Jay Industrial Corporation business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile goes down.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial ratios • Trading Entities
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/Standalone)	For arriving at its ratings, BWR has considered the standalone approach for the firm. BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Established track record:** The firm has been operating since 1994, with experienced partners having around 21 years of experience in the steel trading industry.
- **Established supplier and customer relationships:** The firm has a long-standing relationship with reputed suppliers such as SAIL and caters to a diversified customer base of over 2,000 traders across North India.
- **Diversified product and geographic presence:** The company deals in HR sheets, CR sheets, plates and specialised steel grades, with operations across Faridabad and Kanpur, reducing dependence on a single product or market.

Credit Risks

- **High exposure to steel price volatility:** Fluctuations in steel prices can affect inventory valuation, customer demand and trading margins, particularly given the company's inventory-led business model.
- **Intense competition and limited pricing power:** The steel trading industry is highly competitive, with multiple established players and limited product differentiation, which may constrain the company's ability to maintain margins
- **Promoter-driven business operations:** The company's operations and customer relationships remain significantly dependent on the promoters, resulting in key-person dependence and limited institutionalisation of business processes.

RATING SENSITIVITY FACTORS

Going forward, the ability of the company to significantly improve its scale of operations with sustainable profitability, improvement in debt protection metrics and manage its working capital efficiently shall be the key rating sensitivities.

Positive :

- Improvement in the capital structure, with Total Debt/TNW below 4.50x through higher net worth and debt reduction with improvement in operating margin above 1.5x.
- Improvement in liquidity position, better management of receivables and inventory, and enhanced financial flexibility and DSCR at comfortable level.

Negative :

- Decline in TOI with negative impact on operating margin above 1x and net margin at comfortable level.
- Deterioration in liquidity position, significant stretch in receivables and inventory, or increased dependence on external borrowings, weakening financial flexibility.

LIQUIDITY POSITION - Adequate

The liquidity position of the firm is considered adequate, supported by moderate working capital utilisation of around 48%, which provides headroom to meet incremental working capital requirements. The firm reported cash and bank balances of Rs. 1.62 crore and net cash accruals of Rs. 1.44 crore against CPLTD of Rs. 1.26 crore in FY26 (provisional). The current ratio stood at 1.32x, while the ISCR and DSCR were 1.49x and 1.30x, respectively, indicating moderate debt-servicing capacity. The tangible net worth of Rs. 13.03 crore and partners' combined declared assets of approximately Rs. 36.74 crore provide additional financial support. However, the limited surplus of cash accruals over scheduled debt repayments and moderate coverage ratios constrain the overall liquidity position.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

The company demonstrates an Adequate ESG profile, considering its environmental, social, and governance practices relevant to the iron and steel trading business.

Environmental: The company's environmental risks are relatively moderate, as its operations primarily involve the trading of iron and steel products rather than manufacturing. Key environmental considerations include energy consumption in warehouses, transportation-related emissions, steel scrap and packaging waste management, and compliance with applicable environmental regulations. Efficient logistics and responsible waste disposal practices remain important.

Social: Social factors primarily relate to employee welfare, workplace safety, compliance with labour laws, and employee training. Safe material handling, proper storage of iron and steel products, and maintaining healthy relationships with suppliers and customers are important aspects of the company's social practices.

Governance: Governance assessment focuses on internal controls, regulatory compliance, transparency in financial reporting, and risk-management practices. Effective monitoring of inventory, receivables, working capital utilisation, supplier concentration, and customer credit risks is important for the company's trading operations. Maintaining transparency in business transactions and ensuring compliance with applicable laws and regulations remain key considerations.

COMPANY/FIRM PROFILE

Industry Classification			
Commodities	Metals & Mining	Metals & Minerals Trading	Trading - Metals

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY23-24(A)	FY24-25 (A)	FY25-26 (P)
Operating Revenue	332.00	337.72	390.73
EBITDA	3.95	5.10	6.18
PAT	1.14	1.09	1.13
Tangible Net worth	11.22	11.96	13.03
Total Debt/ Tangible Net worth	3.20	3.63	4.51
Current Ratio	1.87	1.44	1.32

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results P: Provisional
 *PBILDT: Profit before interest, lease rentals, depreciation and tax. All ratios as per BWR's calculations;
 Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Current Rating (2026)				Rating History					
				2025		2024		2023	
Instru-ment	Tenor	Amt (Rs.in Cr)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	59.58	BWR BB/Stable Upgrade	05Aug 2025	BWR C (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	02Aug 2024	BWR C (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	26Jun 2023	BWR C (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)
				16 Sep 2025	BWR BB-/Stable (removal from ISSUER NOT COOPERATING* category/ Upgraded)				
Fund Based	LT	9.42	BWR BB/Stable Assignment	-	-	-	-	-	-
Total		69.00	(Sixty-nine crore Only)						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):

On 10 Sep 2026, India Ratings reaffirmed the long-term and short-term rating at IND B-/Stable /A4 for its bank loan facilities amounting to Rs.20.00 crore and continues the rating under issuer not cooperating*category.

ANY OTHER INFORMATION: NA

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Annexure I: Details of Bank Loan Facilities
(Amount in Rupees Crore)

Sl.No	Bank	Facilities	Tenor	Total	Regulator
1	State Bank of India	Cash Credit - Sanctioned	Long-term	45.00	RBI
2		Cash Credit - Proposed	Long-term	1.42	RBI
3		Term loan -GECL- Sanctioned	Long-term	0.08	RBI
4		Term loan -ESGEL- Sanctioned	Long-term	8.00	RBI
5	Axis Bank Ltd.	Inventory Funding Facility -Sanctioned	Long-term	7.00	RBI
6	IndusInd Bank	Channel Finance Facility -Sanctioned	Long-term	7.50	RBI
Total				69.00	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance (DD-MM-YYY)	Coupon Rate (%)	Maturity Date (DDMM-YYYY)	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NIL	NIL	NIL	NIL

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* \$	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI

10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brick Work Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies	NA

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSR (Financial Services Regulators), please contact grievance@brickworkratings.com

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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