April 22, 2021

Ceejay Finance Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term Fund-based bank lines - cash Credit	15.00	15.00	[ICRA]B+(Stable) ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	15.00	15.00	

**Issuer did not cooperate; based on best available information.*
^Instrument details are provided in Annexure-1

Rationale

ICRA has retained the ratings for the bank facilities of Ceejay Finance Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+ (Stable) ISSUER NOT COOPERATING".

ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

As part of its process and in accordance with its rating agreement with Ceejay Finance Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: **Click here.** ICRA is unable to provide the latest information due to non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Non-Banking Finance Companies Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Ceejay Finance Limited, incorporated in 1993 as Heritage Packaging Limited, is an Ahmedabad-based deposit-taking NBFC (asset financing company registered with the RBI) that is primarily in the vehicle financing business. The company's name was changed to Ceejay Finance Limited in August 2001. It is a part of the C.J. Group, which manufactures and markets beedis, tobacco and tendu leaves and also has a presence in the commercial and residential real estate segment. In FY2020, the company reported a net profit of Rs. 4.82 crore on a total asset base of Rs. 79.45 crore compared to a net profit of Rs. 4.82 crore on a total asset base of Rs. 72.53 crore in FY2019. In 9M FY2021, the company had reported a net profit of Rs. 4.39 crore.

Key financial indicators (audited)

	Mar-18/FY2018	Mar-19/FY2019	Mar-20/FY2020
Net Interest Income (Rs. crore)	12.80	11.90	14.20
PAT (Rs. crore)	5.56	4.82	4.82
Net worth (Rs. crore)	39.40	43.59	47.84
Gearing (times)	0.73	0.62	0.62
Stage 3 Assets as % of Total Assets (in %)	21%	23%	21%

Source: Company, ICRA Research; FY2018 figures as per IGAAP, FY2019 & FY2020 figures as per Ind-AS, All ratios as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of March 31, 2021* (Rs. crore)	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	Date & Rating in FY2018
					April 22, 2021	Mar 18, 2020	Dec 04, 2018	Sep 01, 2017
1	Fund based bank facilities-cash credit	Long-term	15.0	NA	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING

** Information not available*

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-cash credit	NA	-	-	15.0	[ICRA]B+ (Stable) ISSUER NOT COOPERATING

Source: *Company*

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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