

J.G. Spinning Mills Private Limited (Revised)

January 04, 2023

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Short Term Bank Facilities	1.10 (Reduced from 3.67)	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Reaffirmed and Placed on Notice on Withdrawal with Non-Cooperation for 90 days
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	1.10 (Rs. One Crore and Ten Lakhs Only)		

Details of instruments/facilities in Annexure-1

**Issuer not cooperating; Based on best available information*

Detailed Rationale & Key Rating Drivers

CARE Ratings Limited has withdrawn the outstanding ratings of CARE BB-; Stable; Issuer not cooperating/ CARE A4; Issuer Not Cooperating (Double B Minus; Outlook: Stable; Issuer not cooperating/ A Four; Issuer Not Cooperating) assigned to long term and short term bank facilities i.e. Term Loan, Cash Credit and Loan Equivalent Risk facilities of J.G. Spinning Mills Private Limited (JGSMPL) with immediate effect, as the company has surrendered the aforementioned bank facilities rated by us and there is no amount outstanding under the facility as on date.

Further, CARE Ratings Ltd. has reaffirmed and placed the outstanding ratings of CARE A4; Issuer not cooperating (A Four; Issuer not cooperating) assigned to the Non-Fund based facilities i.e. Bank Guarantee of JGSMPL on 'Notice of Withdrawal' with immediate effect. The rating would continue to remain on 'Notice of Withdrawal' for a period of 90 days, after which it would stand withdrawn. The above action has been taken at the request of JGSMPL and lender's certificate.

Analytical approach: Not Applicable

Applicable Criteria

[CARE's withdrawal policy](#)

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

J.G Spinning Mills Pvt Ltd (JGSMPL) is a closely-held Coimbatore-based company engaged in the manufacture and sale of yarn and fabrics and managed by Mr Kishan Gopal Seksaria, Mr Omprakash Seksaria and Mr Manish Seksaria. The company was promoted in 1991 as an NBFC in the name of "J G Textiles" at Kolkata. Later, in 2003, the company purchased a sick unit at Coimbatore and shifted its registered office to Coimbatore and was named JGS. As on December 31, 2017, JSMPL has an installed capacity of 32,016 spindles to manufacture yarn in 24s, 30s, 34s and 40s counts. JGS's customers include the garment manufacturers located in Tirupur, Calcutta and Maharashtra.

Brief Financials (Rs. crore)	FY21 (A)	FY22(A)	9MFY23(Prov.)
Total operating income	94.70	NA	NA
PBILDT	6.16	NA	NA
PAT	1.98	NA	NA
Overall gearing (times)	2.00	NA	NA
Interest coverage (times)	2.50	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee		-	-	-	1.10	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Loan Equivalent Risk		-	-	-	0.00	Withdrawn

*Issuer did not cooperate; Based on best available information; Reaffirmed and Placed on Notice of withdrawal for 90 days

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (07-Jan-22)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (29-Dec-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Dec-19)
2	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (07-Jan-22)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (29-Dec-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Dec-19)
3	Non-fund-based - ST-Bank Guarantee	ST	1.10	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Jan-22)	1)CARE A4; ISSUER NOT COOPERATING* (29-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-19)
4	Non-fund-based - ST-Loan Equivalent Risk	ST	-	-	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Jan-22)	1)CARE A4; ISSUER NOT COOPERATING* (29-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING* (24-Dec-19)

*Issuer did not cooperate; Based on best available information; Reaffirmed and Placed on Notice of withdrawal for 90 days

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Loan Equivalent Risk	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

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

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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