

Loknayak Jayprakash Narayan Shetkari Sahakari Soot Girni Limited

June 10, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	0.00 (Rs. Only)		

*Details in Annexure I.

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE D; Stable; Issuer Not Cooperating assigned to the bank facilities of Loknayak Jayprakash Narayan Shetkari Sahakari Soot Girni Limited (LJNL) with immediate effect. The above action has been taken on confirmation from the lender bank, that has extended the facilities rated by CARE, with regards to the full repayment of the loan facility and closure of the account.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Nandurbar (Maharashtra) based Loknayak Jayprakash Narayan Shetkari Sahakari Soot Girni Limited (LJNL) was established as a cooperative society in the year 1979, promoted by Late Shri P.K. Anna Patil. The society has a total of 22 members. The society is engaged in the business of manufacturing of cotton yarn at its manufacturing facilities (two units) located at Nandurbar, Maharashtra, having an aggregate installed capacity of 56,880 spindles per annum. Apart from this, the society is also engaged in ginning and pressing unit for captive consumption to manufacture cotton yarn; for which the society usually procures the raw material (raw cotton and cotton bales) from the domestic market and also from the farmers based out in Nandurbar. The company markets its products under the brand name of "Jay Soot" and further sells its products to power looms and cloth manufacturers.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (UA)
Total operating income	283.02	219.39
PBILDT	8.32	14.31
PAT	0.26	0.48
Overall gearing (times)	2.61	3.00
Interest coverage (times)	1.68	1.27

A: Audited; UA: Unaudited

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

Covenants of rated instrument / facility: Not applicable

Complexity level of various instruments rated for this company: Annexure 3

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits	-	-	-	0.00	Withdrawn

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) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Working Capital Limits	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (05-May-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (01-Jun-20)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (22-Mar-19) 2)CARE B+; Stable (05-Apr-18)

Annexure 3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Working Capital Limits	Simple

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

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6754 3573

Email ID – mradul.mishra@careratings.com

Analyst Contact

Group Head Name - Ms Monika Goenka

Group Head Contact no- 020-40009019/8879300881

Group Head Email ID- Monika.goenka@careratings.com

Relationship Contact

Name: Mr Aakash Jain

Contact no.: 020 4000 9090

Email ID: aakash.jain@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**