

Jyoti Spinners

June 16, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	6.30	CARE B-; ISSUER NOT COOPERATING* (Single B Minus ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	3.20	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	9.50 (Rs. Nine Crore and Fifty Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated May 14, 2020, placed the rating(s) of Jyoti Spinners (JS) under the 'issuer non-cooperating' category as JS had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. JS continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and emails dated April 19, 2021, April 9, 2021 and March 30, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings take into account non-availability of information and no due diligence conducted due to non-cooperation by Jyoti Spinners with CARE'S efforts to undertake a review of the rating outstanding. CARE views information availability risk as a key factor in its assessment of credit risk.

Detailed description of the key rating drivers

Please refer to PR dated [May 14, 2020](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of non-cooperation by issuers](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology - Manufacturing Companies](#)

About the Firm

Panipat-based (Haryana), Jyoti Spinners (JS), was established in 1991. Currently the operations are managed by Mr Akhil Goel and Mr Ankit Goel. JS is engaged in manufacturing of shoddy yarn, which is used in manufacturing of blankets, at its manufacturing facility located in Panipat, Haryana with an installed capacity of 500 Kg yarn per day. The firm imports the raw material i.e rags from Europe, U.S. etc and sells the yarn produced through agents in places such as Panipat, Rajasthan and Punjab and also export to African countries (50% of sales in FY15).

Brief Financials (Rs. crore)	FY17(P)	FY18(P)
Total operating income	12.92	23.66
PBILDT	1.19	1.72
PAT	0.07	0.24
Overall gearing (times)	2.03	1.81
Interest coverage (times)	1.65	2.24

A: Audited P: Projected

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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-Term Loan	-	-	June, 2023	3.20	CARE B-; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	2.00	CARE B-; ISSUER NOT COOPERATING*
Fund-based - LT-Proposed fund based limits	-	-	-	1.10	CARE B-; ISSUER NOT COOPERATING*
Fund-based - ST-Foreign Bill Discounting	-	-	-	0.65	CARE A4; ISSUER NOT COOPERATING*
Fund-based - ST-Packing Credit in Indian rupee	-	-	-	0.55	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Forward Contract	-	-	-	2.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer not cooperating; Based on best available information

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-Term Loan	LT	3.20	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B-; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE B; ISSUER NOT COOPERATING* (07-Feb-19)
2.	Fund-based - LT-Cash Credit	LT	2.00	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B-; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE B; ISSUER NOT COOPERATING* (07-Feb-19)
3.	Fund-based - LT-Proposed fund based limits	LT	1.10	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B-; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE B; ISSUER NOT COOPERATING* (07-Feb-19)
4.	Fund-based - ST-Foreign Bill Discounting	ST	0.65	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-19)

5.	Fund-based - ST-Packing Credit in Indian rupee	ST	0.55	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-19)
6.	Non-fund-based - ST-Forward Contract	ST	2.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (14-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-19)

*Issuer not cooperating; Based on best available information

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

Annexure-4: Complexity level of various instruments rated for this firm

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Proposed fund based limits	Simple
3.	Fund-based - LT-Term Loan	Simple
4.	Fund-based - ST-Foreign Bill Discounting	Simple
5.	Fund-based - ST-Packing Credit in Indian rupee	Simple
6.	Non-fund-based - ST-Forward Contract	Simple

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

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About CARE Ratings:

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