

Jai Gurudev Ginning and Pressing Industries

June 18, 2021

Rating

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	8.21	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	8.21 (Rs. Eight Crore and Twenty-One Lakhs Only)		

Details of instruments/facilities in Annexure-1
Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated May 08, 2020, placed the rating(s) of Jai Gurudev Ginning and Pressing Industries (JGGPI) under the 'issuer non-cooperating' category as JGGPI had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. JGGPI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 24, 2021 and April 13, 2021 among others.

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).

Detailed description of the key rating drivers

Please refer to PR dated [May 08, 2020](#):

Analytical approach: Standalone

Applicable Criteria

Policy in respect of Non-cooperation by issuer

CARE's Policy on Default Recognition

Criteria on assigning outlook and credit watch to Credit Ratings

Rating Methodology- Manufacturing Companies

Financial ratios (Non-Financial Sector)

About the Company

Established in April 2013 by Mr. Chandrashekhar Thote, Mr. Sachin Kawale and Mrs. Sharada Thote, Jai Gurudev Ginning and Pressing Industries (JGGPI) is engaged into cotton ginning & pressing at its plant located at Kalambm, Yavatmal, Maharashtra which has an annual capacity of 280 metric ton of cotton bales and 52 metric ton of cotton seeds. The manufacturing facility runs in three shifts in a day during season which falls during October to June and raw material (i.e. raw cotton) is sourced from local market (farmers).

The firm earns a major part of its revenue from cotton bales (74% of total revenue in FY16 and 65% in FY15; refers to April 1 to March 31) which is sold to traders and textile mills and remaining is generated from sale of cotton seeds to oil mills.

Brief Financials (Rs. crore)	FY15 (A)	FY16 (A)
Total operating income	17.40	46.21
PBILDT	0.98	1.14
PAT	0.03	0.05
Overall gearing (times)	2.42	1.76
Interest coverage (times)	1.95	1.65

A: Audited

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

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Nil

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	-	-	-	3.21	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	5.00	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; 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	3.21	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-May-20)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Mar-19)
2.	Fund-based - LT-Cash Credit	LT	5.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-May-20)	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (04-Mar-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: 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-Term Loan	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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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

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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.