

JNS Neopac India Private Limited

October 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	79.90	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Negative and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. (CareEdge Ratings) has been seeking information from JNS Neopac India Private Limited (JNIPL) to monitor the rating vide e-mail communications/letters dated July 01, 2025, August 01, 2025, August 29, 2025, September 12, 2025, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. The rating on JNIPL bank facilities will now be denoted as CARE BB; Stable; ISSUER NOT COOPERATING*.

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 rating has been revised on account of the absence of latest information pertaining to the company, such as financial, operational information, liquidity profile, etc. in order to ascertain its ability to timely repay debt.

Detailed description of the key rating drivers

At the time of last rating on October 07, 2024, the following were the rating weaknesses and strengths (updated for FY24 audited annual report)

Key weaknesses

Lower than agreed offtake by Karnataka Milk Federation (KMF)

Despite having assured offtake agreement with KMF, there is lower offtake from KMF. This delay caused the company to fall short of its projections over the past 12 months since it became operational in June 2023. While there is gradual ramp up in operations, however, it has still not reach to the minimum offtake level and if the delay continues, it may impact JNIPL's liquidity level.

Leveraged capital structure and moderate coverage indicators

Given the recently completed project capex, the capital structure of JNIPL is marked by overall gearing (adjusted for quasi equity) which stood at 3.41x as on March 31, 2024 (A) on account of accumulation of losses. The debt profile of the company comprises term loan and working capital loan. The promoters of the company had initially infused unsecured loans to the tune of Rs. 23.85 Cr, and the same is subordinated to the bank facilities, and has been considered as quasi-equity for analysis. Additionally, they have injected USL of approximately Rs. 6 Cr during H1FY25. CareEdge Ratings notes that with gradual ramp-up in the operations translating into profitable operations, the capital structure is likely to improve in absence of any major debt-funded capex.

Key strengths

Long-term concession agreement with KMF for a period of 27 years

The company has been awarded for setting up the packaging products under PPP model with KMF. KMF and JNIPL have entered into a concession agreement for a period of 27 years. JNS will manufacture the packaging products and sell to the KMF for a period of 27 years at agreed prices, which provides long term revenue visibility. KMF has also agreed to buy minimum offtake quantity from JNIPL. Presence of strong counterparty lowers the payment risk.

Analytical approach: Standalone

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Packaging

JNIPL, incorporated on June 20, 2022, manufactures corrugated boxes, PP woven bags, and PP laminated kraft paper bags with capacities of 3200 MT/month, 20 lakh bags/month, and 35 lakh bags/year, respectively. The company has a 27-year concession agreement with KMF for the sale of packaging raw materials at minimum guaranteed off-take levels. JNIPL is closely held by its promoters, with Jayasheel N Shetty as the managing director, who brings four decades of experience in the civil and hotel industries.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	June 30, 2025 (UA)
Total operating income	0.07	46.89	17.14
PBILDT	-1.68	17.39	6.82
PAT	-1.47	-2.72	NA
Overall gearing (times)*	2.32	3.41	NA
Interest coverage (times)	NM	1.88	2.49

A: Audited UA: Unaudited; NM: Not Meaningful; NA: Not available; Note: these are latest available financial results

*Considering initial unsecured loan from promoter as part of quasi-equity

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	20.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	December 2032	59.90	CARE BB; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	59.90	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Negative (07-Oct-24)	1)CARE BB+; Stable (18-Sep-23)	-
2	Fund-based - LT-Cash Credit	LT	20.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Negative (07-Oct-24)	1)CARE BB+; Stable (18-Sep-23)	-

*Issuer did not cooperate; based on best available information.

LT: Long term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

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

Contact us

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About us:

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