



## Press Release

### Janki Newsprint Private Limited

**September 05, 2024**

#### **Ratings:**

<b>Facilities/ Instruments</b>	<b>Amount (Rs. crore)</b>	<b>Current Ratings</b>	<b>Previous Ratings</b>	<b>Rating Action</b>	<b><u>Complexity Indicator</u></b>
Long Term Bank Facilities	56.22	IVR BB+/ Negative Outlook; ISSUER NOT COOPERATING*  [IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*]	IVR BBB-/Stable [IVR Triple B Minus with Stable Outlook]	Downgraded and migrated to Issuer Not Cooperating Category	<b>Simple</b>
Short Term Bank Facilities	10.78	IVR A4+; ISSUER NOT COOPERATING*  [IVR A Four Plus; Issuer Not Cooperating*]	IVR A3 [IVR A Three]	Downgraded and migrated to Issuer Not Cooperating Category	<b>Simple</b>
<b>Total</b>	<b>67.00</b>	<b>[Rs. Sixty-Seven Crore Only]</b>			

*\*Issuer did not cooperate; Based on best available information*

**Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.  
Detailed explanation of covenants is at Annexure 3.**

#### **Ratings**

The aforesaid rating has been downgraded, outlook revised to negative and migrated under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management cooperation.

#### **Detailed Rationale**

The aforesaid rating action to the bank facilities of Janki Newsprint Private Limited reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

Infomerics Ratings has rated the bank loan facilities of Janki Newsprint Private Limited in July 2023. Despite close follow up through telephone calls and mails dated June 26, 2024, July 01,



## Press Release

2024, July 22, 2024, August 08, 2024, August 09, 2024, August 23, 2024, August 24, 2024, August 27, 2024, and concurrently over multiple phone calls for submission of required information for review and failure to submit minimum required information for a review is considered as an act of non-cooperation. In the absence of adequate information from the company, Infomerics Ratings is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the Company. Based upon the same Infomerics Ratings has downgraded the ratings and has migrated the long-term bank facilities to IVR BB+/Negative; ISSUER NOT COOPERATING and the short-term bank facilities to IVR A4+; ISSUER NOT COOPERATING.

### **Non-Cooperation by Issuer:**

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics Ratings has to assign the rating based on the best available information. Accordingly, the bank loan facilities of Janki Newsprint Private Limited, aggregating to Rs 67.00 crore have been migrated to 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+/Negative; ISSUER NOT COOPERATING and IVR A4+; ISSUER NOT COOPERATING.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria for assigning Rating Outlook](#)

[Instrument/Facility wise Default Recognition & Post-Default Curing Period](#)

**Liquidity:** Unable to comment due to lack of adequate information

### **About the Company**

Janki Newsprint Private Limited is engaged in the business of manufacturing kraft paper. The company initially had set up Writing/Printing Paper/Kraft Paper Unit. Keeping in view, the



## Press Release

growing demand of paper products, market trend and competition, the company had gone for further expansion and installed another unit of capacity of 16500 MT PA in the year 2006-07. Later on, by adding new parts and some balancing equipment, the company increased the capacity of the above units to 132,000 MT PA. The company also operates an 8 MW biomass and coal turbine power plant for captive consumption.

### Financials (Standalone):

	(Rs. Crore)	
For the year ended* / Rs. Crore	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	278.75	336.88
EBITDA	8.79	16.31
PAT	5.90	4.75
Total Debt	57.41	61.03
Tangible Net Worth	36.86	41.61
EBITDA Margin (%)	3.15	4.84
PAT Margin (%)	2.12	1.41
Overall Gearing Ratio(x)	1.56	1.47
Interest Coverage(x)	15.49	4.71

*\*Classification as per Infomerics` Standard*

**Status of non-cooperation with previous CRA:** None.

**Any other information:** Not Applicable



## Press Release

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-2022
					July 10, 2023	April 12, 2022	--
1.	Long Term Bank Facilities	Long Term	56.22	IVR BB+/Negative; ISSUER NOT COOPERATING*	IVR BBB-/ Stable	IVR BBB-/ Stable	--
2.	Short Term Bank Facilities	Short Term	10.78	IVR A4+; ISSUER NOT COOPERATING*	IVR A3	IVR A3	--

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

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



## Press Release

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



## Press Release

### Annexure 1: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs Crore)	Rating Assigned/ Outlook
Long Term Bank Facility-Working Capital Term Loan	-	-	-	March 2025	0.81	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Long Term Bank Facility-Term Loan	-	-	-	March 2029	44.41	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Long Term Bank Facility-Cash Credit	-	-	-	-	11.00	IVR BB+/ Negative; ISSUER NOT COOPERATING*
Short Term Bank Facility-Letter of Credit	-	-	-	-	10.00	IVR A4+; ISSUER NOT COOPERATING*
Short Term Bank Facility	-	-	-	-	0.78	IVR A4+; ISSUER NOT COOPERATING*

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

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-Janki-Newsprint-sep24.pdf>

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

**Annexure 4: List of companies considered for consolidated analysis:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).