



Press Release
JYOTINDRA INTERNATIONAL
April 04, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	73.00	-	ACUITE A3 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	73.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the short-term rating of ‘**ACUITE A3**’ (read as **ACUITE A three**) to the Rs. 73.00 crore bank facilities of Jyotindra International (JI).

Rationale for reaffirmation

The rating reaffirmation takes into account the growing operating performance of the group over the past two years. The rating also factors in the established track record of operations of the group supported by experienced management. However, the rating remains constrained on account of average financial risk profile and working capital intensive operations of the group. Further, the operating performance is susceptible to seed availability and volatility in the raw material prices.

About the Company

Established in 1973, Jyotindra International (JI) is a Gujarat-based partnership firm promoted by late Mr. Jyotindra Modh and family. The firm is engaged in processing of psyllium husk and psyllium husk powder from psyllium seeds (Isabgul seeds). The firm has its own manufacturing facility located at Palanpur, Gujarat with an installed processing capacity of 7,500 MTPA. The firm exports around 70 percent of its produce to the countries like UK, Europe, Spain, Brazil, USA, China, etc. and sells around 30 percent in domestic market. Currently, the operations of JI is managed by Mr. Dhaval R Modh, Mr. Rajendra N. Modh, Mrs. Alkaben R. Modh and Mrs. Urmilaben J. Modh.

About the Group

Ispasen Remedies Private Limited (IRPL)

Gujarat based Ispasen Remedies is a sister concern of JI. The firm was incorporated in 2014 and is engaged in processing of psyllium husk and psyllium husk powder from psyllium seeds (Isabgul seeds). In August 2022, the firm was converted into a private limited company. IRPL caters to local market in Gujarat and has installed capacity of 3,000 MTPA. Mrs. Urmilaben J. Modh and Mrs. Ruchi Dhaval Modh are the current directors of the firm.

Jyotindra Industries Private Limited (JIPL)

Jyotindra Industries Private Limited (JIPL) is also a sister concern of JI. It was incorporated in 2020 in Gujarat, however, the operations commenced from FY2023 onwards. JIPL is engaged in processing of psyllium husk and psyllium husk powder from psyllium seeds (Isabgul seeds) and has a manufacturing capacity of 10,000 MTPA. It exports majority of its produce to countries like Brazil, Germany, Thailand, Malaysia, Indonesia, etc. Mr. Dhaval R Modh and Mrs. Ruchi Dhaval Modh are the directors of the company.

Unsupported Rating
Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has considered the consolidated business and financial risk profiles of Jyotindra International (JI), Ispasen Remedies Private Limited (IRPL) and Jyotindra Industries Private Limited (JIPL). The consolidation is on account of common management, similar line of business, operational and financial linkages. Further, Jyotindra International has provided corporate guarantee towards Jyotindra Industries Private Limited.

Key Rating Drivers

Strengths

Established track record of operations and experienced management

JI has an operational track record of over five decades in manufacturing and processing of psyllium husk and powder. The group was established in 1972 by Late Mr. Jyotindra Modh and is currently managed by the second generation of the Modh family. The extensive experience of the management has helped the group in establishing long standing relations with its customers and suppliers thereby securing stable orderflow from clients.

Acuite believes that JI will continue to benefit from its experienced management and established track record of operations.

Growing operating performance

The revenue of the group improved to Rs. 334.96 Cr. in FY2024 from Rs. 284.34 Cr. in FY2023, with y-o-y growth of ~18 percent. In FY2024, the prices of psyllium seeds had increased significantly as there was shortage of the same due to unseasonal rains in some areas under cultivation. Therefore, while the volumes were affected due to low availability, the high realisations led to growth in the FY2024 revenue. The prices stabilised in FY2025 with ample availability; therefore, group recorded a revenue of Rs 366.51 Cr. till 11M FY2025. Further, the EBITDA margins improved to 4.09 percent in FY2024 from 2.65 percent in FY2023 due to decline in the overall selling costs of the group. Moreover, the EBITDA margin is expected to remain rangebound at around 4-5% owing to pass through of raw material volatility. The PAT margin however stood declined at 1.52 percent in FY2024 as against 1.96 percent in FY2023 due to increase in the finance cost of the group.

Going forward, growth in the scale of operations while maintaining profitability margins will be a key rating sensitivity.

Weaknesses

Average financial risk profile

The financial risk profile of the group is average, with moderate networkth, moderate gearing and average debt protection indicators. While the net worth improved to Rs. 26.11 Cr. on March 31, 2024 as against Rs. 23.35 Cr. on March 31, 2023, the substantial increase in the working capital debt levels of the group led to deterioration in the gearing to 2.81 times on March 31, 2024 from 2.14 times on March 31, 2023. The increased debt levels have also affected the Debt-EBITDA levels, which stood high at 5.18 times on March 31, 2024 as against 4.72 times on March 31, 2023. The debt protection indicators also moderated with interest coverage ratio (ICR) at 2.24 times in FY2024 as against 3.03 times in FY2023 and debt service coverage ratio (DSCR) at 1.92 times in FY2024 as against 2.85 times in FY2023. Further, in FY25 JIPL has availed debt of Rs 2.9 Cr. towards development of solar plant and equipment purchase.

The financial risk profile of the group is expected to remain on similar levels in the medium term on account of working capital limit utilization.

Intensive working capital operations

The operations of the group are working capital intensive with Gross Current Assets(GCA) of 93 days on March 31, 2024 as against 69 days on March 31, 2023 due to increase in the inventory days which stood at 59 days on March 31, 2024 as against 39 days on March 31, 2023. This increase in the inventory was on account of decline in the sales volume of JI, which led to inventory pile up. There was also an increase in the debtor days, which stood at 30 days on March 31, 2024 as against 24 days on March 31, 2023. The group's majority procurement of raw materials and processing of the same is done during the peak period i.e April – July, therefore, the bank limit utilization during the same is on a higher side between 80 – 90 percent. Further, The bank limit utilization stood at 70.78 percent for the last six months ended February 2025. Going forward, restriction of further elongation in the working capital cycle will be a key rating sensitivity.

Susceptibility of operating performance to seed availability and volatility in the raw material prices

Psyllium seeds is the major raw material for the group. It being an agricultural produce, the availability and pricing of the same depends upon various factors such as monsoon during the year, area under cultivation, demand domestically and internationally along with various other factors. Any change in the monsoon/climate conditions may interrupt the supply of psyllium and also affect the prices of the seeds.

Rating Sensitivities

- Continued growth in scale of operations while maintaining profitability margins.
- Restriction of further elongation in the working capital cycle.
- Significant deterioration in the financial risk profile.

Liquidity Position**Adequate**

The liquidity position of the group is adequate with generation of net cash accruals (NCAs) of Rs. 7.00 Cr. as against maturing repayment obligations of Rs. 0.65 Cr. in FY2024. The NCAs are expected to remain in the range of Rs. 8 -10 Cr. with maturing repayments in the range of Rs. 1 – 1.5 Cr. in FY2025 and FY2026. The current ratio stood average at 1.31 times on March 31, 2024. The group had an unencumbered cash and bank balance of Rs. 0.15 Cr. on March 31, 2024. The average bank limit utilization stood at 70.78 percent for the last six months ended February 2025.

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	334.96	284.34
PAT	Rs. Cr.	5.09	5.58
PAT Margin	(%)	1.52	1.96
Total Debt/Tangible Net Worth	Times	2.81	2.14
PBDIT/Interest	Times	2.24	3.03

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Jan 2024	PC/PCFC	Short Term	25.00	ACUITE A3 (Reaffirmed)
	PC/PCFC	Short Term	40.00	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	1.00	ACUITE A3 (Reaffirmed)
	Stand By Line of Credit	Short Term	7.00	ACUITE A3 (Reaffirmed)
10 Oct 2022	PC/PCFC	Short Term	30.00	ACUITE A3 (Reaffirmed)
	PC/PCFC	Short Term	10.00	ACUITE A3 (Assigned)
	PC/PCFC	Short Term	25.00	ACUITE A3 (Reaffirmed)
	Stand By Line of Credit	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Stand By Line of Credit	Short Term	2.00	ACUITE A3 (Assigned)
	Proposed Short Term Bank Facility	Short Term	1.00	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Yes Bank Ltd	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A3 Reaffirmed
Bank of Baroda	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A3 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A3 Reaffirmed
Bank of Baroda	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE A3 Reaffirmed

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No	Company Name
1	Jyotindra International
2	Ispasen Remedies Private Limited
3	Jyotindra Industries Private Limited

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About Acuité Ratings & Research

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