

Janakpur Refineries Private Limited: Ratings withdrawn

January 3, 2024

Summary of rating action

Instrument	Last Rated amount (NPR Million)	Rating Action
Long-term – fund-based limits	300	Ratings withdrawn
Short-term – fund/non-fund based limits	1,700	
Total	2,000	

Rating action

ICRA Nepal has withdrawn the long-term loan rating of [ICRANP] LB+ 'Issuer Not Cooperating' (pronounced ICRA NP L B Plus, Issuer Not Cooperating) and the short-term loan rating of [CRANP] A4 'Issuer Not Cooperating' (pronounced ICRA NP A four, Issuer Not Cooperating) assigned to Janakpur Refineries Private Limited (JRPL or the company). The rating action has been taken in accordance with the Credit Rating Regulations 2011, following non-cooperation from JRPL for rating surveillance, despite multiple follow-ups. Prior to this withdrawal, the ratings were kept on notice for withdrawal for a period of six months, during which period also, there was no cooperation from the company for rating surveillance. ICRA Nepal does not have any information to suggest that the credit risk has changed since the time the rating was last reviewed.

Rationale

The key rating drivers, rating sensitivities, key financial indicators have not been captured as the ratings are being withdrawn.

ICRA Nepal assesses whether the information available about the entity is commensurate with its rating and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's ['Withdrawal/Suspension Policy'](#).

As a part of its process and in accordance with its rating agreement with JRPL, ICRA Nepal had been trying to seek information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the ratings have been withdrawn.

Analytical approach: For arriving at the ratings, ICRA Nepal has applied its rating methodology as indicated below:

Link to the applicable criteria:

[Corporate Credit Rating Methodology](#)

Links to the previous detailed rating rationales:

[Janakpur Refineries Private Limited -Fresh Bank loan rating: December 13, 2021](#)

[Janakpur Refineries Private Limited -Bank loan ratings Issuer Not Cooperating: July 3, 2023](#)

About the company

Established in 2019, Janakpur Refineries Private Limited (JRPL) is a new entrant in the refined oil processing business in Nepal. When last rated, JRPL used to produce refined edible oils viz. soyabean, sunflower and palm oil, sold under the brand name Sampoorana. The company started its operation in FY2021 through trading of edible oil in the domestic market before commencing its full-fledged production in October 2021 (FY2022). JRPL has its corporate office in Gyaneshwor, Kathmandu and factory unit in Dhalkebar, Dhanusha.

As of mid-July 2021 (as available during last rating), Mr. Vishwanath Prasad Shah, the chairman of the company, had stake of 23.9% other shareholders - Mrs. Raisha Tibrewal, Mr. Karan Pratap Shah and Mr. Vinit Agrawal – held 32.6%, 23.9% and 19.6%, respectively.

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About ICRA Nepal Limited:

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Our parent company, ICRA Limited, was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies.

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