

## Navyug India Limited

December 06, 2021

### Rating

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	4.70	<b>CARE B-;</b> <b>ISSUER NOT COOPERATING*</b> <b>(Single B Minus</b> <b>ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.25	<b>CARE A4;</b> <b>ISSUER NOT COOPERATING*</b> <b>(A Four</b> <b>ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>9.95</b> <b>(Rs. Nine Crore and</b> <b>Ninety-Five Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated December 24, 2020, placed the rating(s) of Navyug India Limited (NIL) under the 'issuer non-cooperating' category as NIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. NIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 09, 2021, November 19, 2021, November 29, 2021.

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 [December 24, 2020](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)  
[Policy on default recognition](#)

### About the Company

Jalandhar, Punjab based Navyug (India) Limited (NIL) was initially incorporated as a private limited company with the name 'Navyug Auto and Allied Industries Private Limited' in 1973 by Mr. Santosh Kumar Parmar with his family members & friends. Later in May 1986, the constitution of the company was changed to Public Limited (closely held). The current management of the company comprises of Mr. Santosh Kumar Parmar (Managing Director), Mr. Avinash Parmar (Director), Mr. Rajneesh Parmar (Director) and Mr. Munish Parmar (Director). The company has its manufacturing unit located in Jalandhar, Punjab and is engaged in the manufacturing of rubber V-belts, flat transmission belts and hoses of various types and sizes which find its application in mining, quarrying and transport industry.

Brief financials of NIL:

Brief Financials (Rs. crore)	FY19(A)	FY20(A)
Total operating income	20.79	17.00
PBILDT	1.64	1.37
PAT	0.34	0.23
Overall gearing (times)	1.14	1.00
Interest coverage (times)	1.80	1.62

A: Audited

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

**Status of non-cooperation with previous CRA:** CRISIL has suspended the ratings assigned to the bank facilities of NIL vide press release dated June 26, 2015 on account of non-cooperation by NIL with CRISIL's efforts to undertake a review of the ratings outstanding.

**Any other information:** Not applicable

**Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	3.00	CARE B-; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft	-	-	-	-	1.70	CARE B-; ISSUER NOT COOPERATING*
Fund-based - ST-EPC/PSC	-	-	-	-	4.25	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	-	1.00	CARE A4; 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-Cash Credit	LT	3.00	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B-; ISSUER NOT COOPERATING * (24-Dec-20)	1)CARE B; ISSUER NOT COOPERATING * (01-Oct-19)	1)CARE B; ISSUER NOT COOPERATING * (05-Jul-18)
2	Fund-based - LT-Bank Overdraft	LT	1.70	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B-; ISSUER NOT COOPERATING * (24-Dec-20)	1)CARE B; ISSUER NOT COOPERATING * (01-Oct-19)	1)CARE B; ISSUER NOT COOPERATING * (05-Jul-18)
3	Fund-based - ST-EPC/PSC	ST	4.25	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING * (24-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING * (01-Oct-19)	1)CARE A4; ISSUER NOT COOPERATING * (05-Jul-18)
4	Non-fund-based - ST-BG/LC	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING * (24-Dec-20)	1)CARE A4; ISSUER NOT COOPERATING * (01-Oct-19)	1)CARE A4; ISSUER NOT COOPERATING * (05-Jul-18)

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

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

**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Bank Overdraft	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - ST-EPC/PSC	Simple
4	Non-fund-based - ST-BG/LC	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](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto: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.

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