

## Indian yarn Limited

January 17, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	67.25	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	3.36	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>70.61 (Rs. Seventy Crore and Sixty-One Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated January 29, 2021, placed the rating(s) of Indian Yarn Limited (IYL) under the 'issuer non-cooperating' category as IYL 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. IYL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 15, 2021, December 25, 2021, January 04, 2022.

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 [January 29, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Incorporated in 1992, IYL was taken over by the Shiva Group in FY13. The company is engaged in the manufacturing of synthetic yarn at its manufacturing facilities in Ludhiana (Punjab). Group concerns of the company include Yogindera Worsted Limited (rated, 'CARE D; Issuer Not cooperating'), K.K. Fibres Limited, Shiva Specialty Yarns Limited (rated, 'CARE D; Issuer Not cooperating'), Himachal Fibres Limited (rated, 'CARE D; Issuer Not cooperating'), Shiva Texfabs Limited and Shiva Spin N Knit Limited.

Brief Financials (Rs. crore)	2020 (A)	2021 (A)	9MFY22 (Prov.)
Total operating income	0.16	0.53	NA
PBILDT	-0.17	0.00	NA
PAT	5.92	-2.47	NA
Overall gearing (times)	NM	NM	NA
Interest coverage (times)	NM	0.00	NA

*A: Audited, Prov.: Provisional, NA – Not available*

**Status of non-cooperation with previous CRA:** CRISIL has suspended the ratings assigned to the bank facilities of IYL vide press release dated January 04, 2012 on account of non-cooperation by IYL with CRISIL's efforts to undertake a review of the ratings outstanding.

**Any other information:** Not Applicable

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

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

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

**Covenants of rated instrument/facility:** Please refer Annexure 3

**Complexity level of various instruments rated for this firm:** Please refer 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-Term Loan		-	-	March 2024	33.25	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	34.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	3.36	CARE D; 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-Term Loan	LT	33.25	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING* (31-Oct-19)	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-18)
2	Fund-based - LT-Cash Credit	LT	34.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING* (31-Oct-19)	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-18)
3	Non-fund-based - ST-Letter of credit	ST	3.36	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING* (31-Oct-19)	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Letter of credit	Simple

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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### About CARE Ratings:

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