

## Himachal Fibres Limited

January 19, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	22.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated December 07, 2022, placed the rating(s) of Himachal Fibres Limited (HFL) under the 'issuer non-cooperating' category as HFL 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. HFL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 23, 2023, November 02, 2023, November 12, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).**

**Analytical approach:** Standalone

**Outlook:** Not Applicable

### Detailed description of the key rating drivers:

Please refer to PR dated [December 07, 2022](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on Default Recognition](#)

### About the company

Set up in 1980, Himachal Fibres Limited (HFL) [ISIN: INE723D01021] was promoted by Mr. BK Garodia in collaboration with Himachal Pradesh Minerals & Industrial Development Corporation Limited. It was subsequently acquired by the 'Shiva' group in 2010. The product profile of HFL was also changed from cotton yarn to include polyester spun yarn, acrylic yarn, blended yarns and knitted cloth. HFL operates from its manufacturing facility in Baddi, Himachal Pradesh.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)	H1FY24 (UA)
Total operating income	27.29	26.83	4.94
PBILDT	-3.98	1.77	-1.28
PAT	-6.87	2.93	-2.97
Overall gearing (times)	7.86	2.63	0.34
Interest coverage (times)	NM	1.52	NM

A-Audited, UA – Unaudited, NM- Not Meaningful, Note: 'the above results are latest financial results available'.

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

**Status of non-cooperation with previous CRA:** BRICKWORK has continued the ratings assigned to the bank facilities of HFL into 'Issuer not-cooperating' category vide press release dated November 09, 2023 on account of non-availability of requisite information from the company.

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

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

**Lender details:** Please refer Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March, 2025	7.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	7.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Dec-22)	1)CARE D; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Aug-20)
2	Fund-based - LT-Cash Credit	LT	15.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Dec-22)	1)CARE D; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Aug-20)
3	Non-fund-based - ST-ILC/FLC	ST	5.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Dec-22)	1)CARE D; ISSUER NOT COOPERATING* (09-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Aug-20)

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

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

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-ILC/FLC	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings 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:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages our domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments including commercial papers, corporate bonds and debentures, and structured credit.

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**\*\*For detailed Rationale Report and subscription information, please visit [www.careedge.in](http://www.careedge.in)**