



## Press Release

### Shyam Indofab Private Limited

December 21, 2023

#### Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings*	Rating Action	<a href="#">Complexity Indicator</a>
Long-Term Bank Facilities	159.01	IVR D, ISSUER NOT COOPERATING* (IVR D, Issuer Not Cooperating)	Reaffirmed and moved to Issuer Not Cooperating category	Simple
Short-Term Bank Facilities	22.24	IVR D, ISSUER NOT COOPERATING* (IVR D, Issuer Not Cooperating)	Reaffirmed and moved to Issuer Not Cooperating category	Simple
<b>Total</b>	<b>181.25 (INR One Hundred and Eighty-One Crore and Twenty-Five Lakh Only)</b>			

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

**Details of Facility are in Annexure 1**

#### Detailed Rationale

The reaffirmation in the ratings assigned to the bank facilities of Shyam Indofab Private Limited (SIPL) is because of continuous non-cooperation by the company and lack of adequate information regarding SIPL's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the entity to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated November 03, 2023, November 09, 2023, November 13, 2023 and November 21, 2023 concurrently over



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several phone calls. However, despite repeated requests by Infomerics, the entity's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term and short-term rating for the bank facilities of Shyam Indofab Private Limited aggregating to Rs.181.25 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and be noted as 'IVR D; ISSUER NOT COOPERATING', based on best available information.

**Liquidity:** Unable to comment due to lack of adequate information.

**Analytical Approach:** Standalone

### **Applicable Criteria**

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on default recognition](#)

### **About the Company**

Shyam Indofab Private Limited (SIPL), incorporated on January 19, 2012, is promoted by Mr Sandeep Gupta. The company began commercial operations in November 2016. SIPL is engaged in knitting of fabric and installed its manufacturing unit at Amravati in Maharashtra with installed capacity of 7200 MTPA. However, the corporate office is located in Haryana. SIPL is specialize in handling re-generated fibres like modal, viscose, polyester, bamboo, organic cotton, linen, and their blends. Currently, Mr. Sandeep Gupta, along with other two directors, is at the helm of affairs of the company along with a team of experienced personnel.

**Financials (Standalone): Latest financials not available**

For the year ended* / As on	(Rs. crore)	
	31-03-2020	31-03-2021
	<b>Audited</b>	<b>Provisional</b>
Total Operating income	164.31	105.01
EBIDTA	22.80	2.41



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PAT	0.18	-21.45
Total Debt	126.22	159.57
Tangible Net Worth	57.59	36.92
EBDITA Margin (%)	13.88	2.30
PAT Margin (%)	0.11	-20.36
Overall Gearing Ratio (x)	2.41	4.66

\*Classification as per Infomerics' standards.

### Status of non-cooperation with previous CRA:

India Ratings & Research vide its press release dated March 21, 2023 kept the rating under issuer not cooperating category due to non-submission of information by the company.

Any other information: Nil

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (Oct 17, 2022)	Date(s) & Rating(s) assigned in 2021-22 (Dec 09, 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loan	LT	56.32	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR BB/ Stable	-
2.	Cash Credit	LT	75.00	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR BB/ Stable	-
3.	GECL	LT	23.95	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR BB/ Stable	-
4.	CECL	LT	3.17	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR BB/ Stable	-
5.	WCTL (CELC)	LT	0.57	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR BB/ Stable	-
6.	LC	ST	19.60	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR A4	-



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7.	BG	ST	2.64	IVR D; ISSUER NOT COOPERATING*	IVR D	IVR A4	-

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

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com).



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**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Limits – Term Loan	-	-	March 2028	56.32	IVR D; ISSUER NOT COOPERATING*
Long Term Fund Based Limits - Cash Credit	-	-	-	75.00	IVR D; ISSUER NOT COOPERATING*
Long Term Fund Based Limits - GECL	-	-	January 2026	23.95	IVR D; ISSUER NOT COOPERATING*
Long Term Fund Based Limits – CECL	-	-	July 2023	3.17	IVR D; ISSUER NOT COOPERATING*
Long Term Fund Based Limits - WCTL (CELC)	-	-	June 2022	0.57	IVR D; ISSUER NOT COOPERATING*
Short Term Non-Fund Based Limits- LC	-	-	-	19.60	IVR D; ISSUER NOT COOPERATING*
Short Term Non-Fund Based Limits- BG	-	-	-	2.64	IVR D; ISSUER NOT COOPERATING*

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

**Annexure 2: Facility wise lender details:** Not Available

**Annexure 3: List of companies considered for consolidated analysis:** Not Applicable



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**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at

<https://www.infomerics.com/rating-criteria-detail/complexity-level-of-ratedinstrumentsfacilities>

