

March 23, 2022

Shree Hari Yarns Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based/non-fund based – Working capital limit	15.10	15.10	[ICRA]BB(Stable)/[ICRA]A4+; withdrawn
Total	15.10	15.10	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Shree Hari Yarns Private Limited (SHYPL) based on the company's request and no due certificate received from its bankers, in accordance with ICRA's policy on withdrawal and suspension. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, liquidity position, rating sensitivities, have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Ratings Corporate Credit Rating Methodology Rating Methodology for Entities in Textile Industry- Apparels
Parent/Group Support	Not applicable
Consolidation/Standalone	Not applicable

About the company

Incorporated in 2010, SHYPL is engaged in the trading of yarn. The company has been promoted by the Sonthalia and Panchloria families, who have an experience of four decades in the textile industry. The company trades in yarn that are mainly used in manufacturing shirting and suiting fabrics.

Key financial indicators (Audited)

	FY2019	FY2020
Operating Income (Rs. crore)	185.26	263.79
PAT (Rs. crore)	0.83	0.78
OPBDIT/OI (%)	1.48%	1.19%
PAT/OI (%)	0.45%	0.30%
Total Outside Liabilities/Tangible Net Worth (times)	4.98	6.33
Total Debt/OPBDIT (times)	4.93	5.99
Interest Coverage (times)	1.88	1.58

Source: Company

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Rating History for the Past 3 Years				
		Type	Amount Rated (Rs. Cr.)	Amount Outstanding as of Mar 31, 2022 (Rs. Cr.)	Date & Rating	FY2021			FY2020	FY2019
					March 23, 2022	December 08, 2020	June 11, 2020	April 16, 2020	October 31, 2019	April 05, 2018
1	Fund based/non-fund based – Working capital limit	Long Term / Short Term	15.10	-	[ICRA]BB(Stable)/[ICRA]A4+; Withdrawn	[ICRA]BB (Stable)/ [ICRA]A4 +	[ICRA]BB (Stable)/ [ICRA]A4 +	[ICRA]BB (Stable)/ [ICRA]A4+ ISSUER NOT COOPERATING *	[ICRA]BB (Stable)/ [ICRA]A4 +	[ICRA]BB (Stable)/ [ICRA]A4 +

[^]sub-limit of letter of credit; * due to NDS non-submission

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based/non-fund based – Working capital limit	Simple/Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Fund based/non-fund based – Working capital limit	NA	NA	NA	15.10	[ICRA]BB(Stable)/[ICRA]A4+; Withdrawn

Source: Company; ^sub-limit of letter of credit

Annexure-2: List of entities considered for consolidated analysis – Not applicable

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