

Press Release

Shyam Industries (SI)

November 19, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 7.13 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has reviewed rating of '**ACUITE D**' (read as **ACUITE D**) on the Rs. 7.13 crore bank facilities of Shyam Industries (SI). This rating is now an indicative rating and is based on best available information.

Shyam Industries, established in 2006, is a New Delhi-based proprietorship firm promoted by Mr. Radhey Shyam Singhal, who possesses around three decades of experience in the footwear industry. It manufactures footwear and sells the same under the 'Wisdom', 'Spykar', 'Spyke Lite' and 'PU Spyke' brand names. The manufacturing facility is located at Bahadurgarh (Haryana) with installed capacity of 25 lakh pairs per annum.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity-Key Financials

	Unit	FY14 (Actual)	FY13 (Actual)	FY12 (Actual)
Operating Income	Rs. Cr.	14.93	13.16	11.02
EBITDA	Rs. Cr.	0.96	0.86	0.72
PAT	Rs. Cr.	0.10	0.17	0.20
EBITDA Margin	(%)	6.44	6.51	6.54
PAT Margin	(%)	0.69	1.33	1.77
ROCE	(%)	12.06	12.65	14.24
Total Debt/Tangible Net Worth	Times	4.60	11.94	6.85
PBDIT/Interest	Times	1.53	1.99	2.56
Total Debt/PBDIT	Times	5.14	6.63	4.13
Gross Current Assets (Days)	Days	250	230	180

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
28-Sep-17	Cash Credit	Long term	3.00	ACUITE D (Indicative)
	Term Loan	Long term	0.37	ACUITE D (Indicative)
	Term Loan	Long term	1.76	ACUITE D (Indicative)
	Letter of Credit	Short Term	2.00	ACUITE D (Indicative)
04-July-16	Cash Credit	Long term	3.00	ACUITE D (Reaffirmed)
	Term Loan	Long term	0.37	ACUITE D (Reaffirmed)
	Term Loan	Long term	1.76	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE D (Reaffirmed)
06-Apr-15	Cash Credit	Long term	3.00	ACUITE D (Reaffirmed)
	Term Loan	Long term	0.37	ACUITE D (Reaffirmed)
	Term Loan	Long term	1.76	ACUITE D (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE D (Reaffirmed)
15-Apr-14	Cash Credit	Long term	3.00	ACUITE D (Downgraded from ACUITE B)
	Term Loan	Long term	0.37	ACUITE D (Downgraded from ACUITE B)
	Term Loan	Long term	1.76	ACUITE D (Downgraded from ACUITE B)
	Letter of Credit	Short Term	2.00	ACUITE D (Downgraded from ACUITE A4)
03-Apr-13	Cash Credit	Long term	3.00	ACUITE B/ Stable (Assigned)
	Term Loan	Long term	0.37	ACUITE B/ Stable (Assigned)
	Term Loan	Long term	1.76	ACUITE B/ Stable (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.37	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.76	ACUITE D Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE D Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

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