



SMERA RATINGS LIMITED

Yogindera Worsted Limited (YWL)**Rating
Rationale****March 13, 2014**

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	47.50	SMERA D (Assigned)
Term Loans	33.16	SMERA D (Assigned)
Bank Guarantee/Letter of Credit	9.25	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D**' to the Rs.89.91 crore bank facilities of Yogindera Worsted Limited (YWL). The rating reflects the company's delays in servicing debt obligations on account of weak liquidity position. The rating factors in the management's long-standing experience in the textile industry.

YWL was originally promoted by the Gupta family. In February 2007, the company was taken over by the Shiva Group, which comprises Shiva Texfabs Limited (SMERA D), Himachal Fibres Limited (SMERA D), Shiva Speciality Yarns Limited (SMERA D), KK Fibers Limited (SMERA C/SMERA A4), Shiva Spin-N-Knit Limited and Indian Yarns Limited.

About the company

YWL, incorporated in 1997, is a Ludhiana-based company engaged in manufacturing of dyed worsted and acrylic yarn. YWL has a manufacturing unit in Barnala (Punjab), with an installed capacity of 11,464 metric tonnes per annum.

For FY2012-13 (refers to financial year, April 01 to March 31), YWL reported PAT of Rs.1.26 crore on net sales of Rs.263.60 crore, as compared with PAT of Rs.3.72 crore on net sales of Rs.237.00 crore for FY2011-12. YWL's net worth stood at Rs.46.04 crore as on March 31, 2013, as compared with Rs.45.78 crore a year earlier.

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