

March 22, 2024

Shiv Shakti Industries: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	20.00	20.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B+(Stable) ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category.
Long Term-Fund Based-Term Loan	3.75	3.75	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B+(Stable) ISSUER NOT COOPERATING and continues to remain under 'Issuer Not Cooperating' category.
Total	23.75	23.75	

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

[^]Instrument details are provided in Annexure-1

Rationale

Material event

The rating downgrade reflects Delay in Debt Repayment as mentioned in the publicly available sources.

Impact of material event

The rating is based on limited information on the entity's performance since the time it was last rated in January 2023. 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 entity, despite the downgrade".

As part of its process and in accordance with its rating agreement with Shiv Shakti Industries, ICRA has been trying to seek information from the entity to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite repeated requests by ICRA, the entity's management has remained noncooperative. In the absence of the requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition
Parent/Group Support	NA

Consolidation/Standalone	Standalone
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About the company

Established in 2013, Shiv Shakti Industries is a partnership firm with Mr. Soham Purohit and Manisha Purohit as partners. The firm is engaged in the business of ginning and pressing of raw cotton as well as crushing of cottonseeds with processing capacity of around 150 TPD of raw cotton. The firm is equipped with 24 ginning machines and 1 Pressing machine having capacity to produce 250 bales per day. The firm is also equipped with 10 expellers having capacity to produce 10,500 kgs. of oil per day. The saleable products of the firm include cotton bales, cotton seeds, cottonseed oil and cottonseed cakes.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
Brickworks	BWR B-(Stable) /ISSUER NOT COOPERATING	May 19, 2023

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Current Rating (FY2024)	Chronology of Rating History for the past 3 years			
					Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in	
					22-Mar-2024	11-Jan-2023	25-Nov-2021	29-Sep-2020	
1	Cash Credit	Long Term	20.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	
2	Term Loan	Long Term	3.75	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	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: [Click Here](https://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	Cash Credit	-	-	-	20.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	3.75	[ICRA]D; ISSUER NOT COOPERATING

Source: Shiv Shakti Industries

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

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About ICRA Limited:

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