

Press Release

Srishti Enterprises

July 13, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	6.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	10.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.10.00 crore bank facilities of Srishti Enterprises (SE). The rating is downgraded and flagged as "Issuer Not-Cooperating" on account of information risk.

About the Company

Chandigarh based, Srishti Enterprises (SE) was established in 2008 by Mr. Sandeep Gupta and is engaged in the business of interior designing work. Firm mainly undertakes projects for government bodies.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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 endeavoured 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

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

CRISIL, vide its press release dated September 26, 2019 had denoted the rating of Srishti Enterprises as 'CRISIL BB/A4+; Withdrawn; ISSUER NOT COOPERATING' on account of lack of adequate information required for monitoring of ratings.

Any other information

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

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Apr 2021	Bank Guarantee	Short Term	2.70	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	1.30	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	2.70	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	3.30	ACUITE BB- (Downgraded and Issuer not co-operating*)
30 Jan 2020	Proposed Cash Credit	Long Term	2.70	ACUITE BB Stable (Assigned)
	Proposed Bank Guarantee	Short Term	1.30	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	2.70	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	3.30	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE A4 Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.30	ACUITE B+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.30	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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