



Press Release

Siddhi Industries Limited

February 20th, 2025

Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	32.67	IVR BB/ Negative; INC* [IVR Double B with Negative outlook; Issuer Not Cooperating*]	IVR BB+/ Stable [IVR Double B Plus with Stable Outlook]	Rating downgraded, moved to Issuer Not Cooperating category and outlook revised	Simple
Total	32.67	(Rupees thirty-two crore and sixty-seven lakh only)			

**Issuer not cooperating; Based on best available information*

**Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.
Detailed explanation of covenants is at Annexure 3.**

Ratings

Infomerics Ratings has downgraded the long-term rating to IVR BB with a revision in outlook from stable to negative and has migrated under 'ISSUER NOT COOPERATING' category for the bank facilities of Siddhi Industries Limited. The downgrade of ratings is due to non-submission of information and lack of management cooperation for the review of rating.

Detailed Rationale

The aforesaid rating action to the bank facilities of Siddhi Industries Limited reflects lack of adequate information available about the performance of the company and hence the uncertainty around its credit risk. Infomerics Ratings assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

Infomerics Valuation and Rating Limited (IVR) had rated the bank loan facilities of Siddhi Industries Limited in December 2023. Despite close follow up through telephone calls and mails dated December 31, 2024, January 02, 2025, January 13, 2025, January 16, 2025, January 22, 2025, January 30, 2025 and concurrently over several phone calls for submission of required information for review and failure to submit minimum required information for a



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review is considered as an act of non-cooperation. In the absence of adequate information from the company, IVR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company. Based upon the same, Infomerics Valuation and Rating Limited (IVR) has downgraded the long-term bank facilities to IVR BB/Negative; ISSUER NOT COOPERATING.

Non-Cooperation by Issuer:

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, IVR has to assign the rating based on the best available information. Accordingly, the bank loan facilities of Siddhi Industries Limited aggregating to Rs 32.67 crore have been migrated to 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB/ Negative; ISSUER NOT COOPERATING.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitute Non-Cooperation by clients](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria for assigning rating outlook About the Company](#)

[Instrument/Facility wise Default Recognition & Post-Default Curing Period](#)



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Liquidity: Unable to comment due to lack of adequate information

About the Company

Siddhi Industries Limited was incorporated in the year 2011 and commenced its operation from July 2017. Siddhi Industries Limited is promoted by Mr. Markand V. Parikh along with his son Mr. Jay parikh and wife Mrs. Meenaben Parikh. The company belongs to “Siddhi Group” which is having diverse activities like manufacturing of edible Oil, decorative laminates, packaged drinking water, Margarine, sophisticated engineering castings/sand castings, copper components of electric transformers etc. The company has spinning unit with 24480 spindles having installed capacity of 4762 MTPA to manufacture cotton yarn specifically 30s combed hosiery and 40s CW (compact). The unit is situated in Ahmedabad, Gujarat.

Financials (Standalone):

	(Rs. Crore)	
For the year ended*/As on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	164.43	167.39
EBITDA	10.32	3.77
PAT	0.09	-5.90
Total Debt	44.95	28.78
Tangible Net Worth	66.21	60.30
<u>Ratios</u>		
EBITDA Margin (%)	6.27	2.25
PAT Margin (%)	0.06	-3.53
Overall Gearing Ratio (x)	0.68	0.48
Interest Coverage	3.49	1.11

**Classification as per Infomerics` standards*

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years:



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Sr. No.	Type of Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
				February 20, 2025	December 21, 2023	September 07, 2022	July 21, 2021
1.	Fund Based	Long Term	32.67	IVR BB/ Negative/ INC*	IVR BB+/ Stable	IVR BBB-/ Stable	IVR BBB-/ Stable
2.	Non-Fund Based	Short Term	-	-	-	-	IVR A3

**Issuer not cooperating; Based on best available information*

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs Crore)	Rating Assigned/ Outlook
Term Loan	-	-	December 2026	17.67	IVR BB/ Negative; INC
Cash Credit	-	-	-	15.00	IVR BB/ Negative; INC

**Issuer not cooperating; Based on best available information*

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-siddhi-industries-feb25.pdf>

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.