



Press Release

Shivalik Engineering Industries Limited

September 28, 2023

Rating

Instrument/ Facility	Amount (Rs. crore)	Rating	Rating Action	Complexity Indicator
Long term Bank Facilities	-	-	Withdrawn	Simple
Total	-			

Details of Facilities are in Annexure 1

Key Rating Drivers and Detailed description of the key rating drivers

Infomerics has withdrawn the outstanding long-term rating of 'IVR BBB-/ Positive (IVR Triple B Minus with Positive Outlook)' assigned to the bank facilities of Shivalik Engineering Industries Limited (SEIL) with immediate effect. The above action has been taken at the request of SEIL and 'No Due Certificate' received from its lenders- Bank of India and Punjab National Bank, which have extended the facilities rated by Infomerics.

Detailed Rationale

The rating is withdrawn in accordance with Infomerics' policy on withdrawal. Link to the withdrawal policy is provided below.

Analytical Approach: Consolidated

For arriving at the rating, Infomerics has combined the financial risk profiles of Shivalik Power & Steel Private Limited and Shivalik Engineering Industries Limited together referred to as the Shivalik group as these entities are running under a common management, have strong operational and financial linkages with cash flow fungibility. Shivalik Engineering Industries Pvt. Ltd and Shivalik Power & Steel Private Limited provides corporate guarantee to each other. The list of companies is given in **Annexure 2**.

Applicable Criteria:

[Policy on Withdrawal of ratings](#)

[Criteria of assigning Rating Outlook](#)



Press Release

About the Company

Shivalik Engineering Industries Limited (SEIL) was incorporated in 2011 by Mr. Giriraj Singhania and Mr. Vishal Sharma based out of Chhattisgarh. In April 2015, the company commenced production and started manufacturing iron casting components for automobiles, railways and engineering industry at its foundry unit with an installed capacity of 30,000 MTPA located in Hathkhoj, Industrial Estate, Bhilai, Chhattisgarh. The day-to-day affairs of the company are looked after by Mr. Giriraj Singhania (Managing Director, over 18 years of experience in foundry field) with adequate support from Mr. Vishal Sharma (Director) and a team of experienced professionals.

About the Group

The Shivalik group is founded by the Mr. Giriraj Singhania and Mr. Vishal Sharma based out of Raipur, Chhattisgarh. The group has vast experience in the manufacturing of auto component products through various companies under its fold. The group started their business operations in 2004 and gradually ventured into manufacturing operations of ductile iron and graded cast iron products in 2007. Currently the group is engaged in manufacturing of different grades of Ductile Iron and Graded Cast Iron Engineering components. Both SPSPL and SEIL are engaged in the same line of business where as heavy components (25kg to 100kg) are manufactured under SEIL and lighter components (1/2 kg to 50 kg) are manufactured under SPSPL. Further, both these companies are under the same management with strong operational and financial linkages.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



Press Release

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount (Rs. Cr)	Rating	Date(s) & Rating(s) assigned in 2022-23 (August 30, 2022)	Date(s) & Rating(s) assigned in 2021-22 (June 28, 2021)	Date(s) & Rating(s) assigned in 2020-21 (July 24, 2020)
1.	Term Loan	Long Term	-	Withdrawn	IVR BBB-/ Positive	IVR BBB-/ Stable	IVR BBB-/ Stable
2.	Cash Credit	Long Term	-	Withdrawn	IVR BBB-/ Positive	IVR BBB-/ Stable	IVR BBB-/ Stable

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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 visit www.infomerics.com.



Press Release

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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	-	-	-	-	Withdrawn
Cash Credit	-	-	-	-	Withdrawn

Annexure 2: List of companies considered for consolidated analysis:

Name of the Company	Consolidation Approach
Shivalik Power & Steel Private Limited	Full consolidation
Shivalik Engineering Industries Limited	Full consolidation

Annexure 3: Facility wise lender details: Not Applicable.

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:
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.