

Divyashakti Foods Private Limited (Erstwhile Divya Shakti Fertilizer & Chemicals Private Limited)

May 04, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	9.00	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	9.00 (Rs. Nine Crore Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 26, 2021, placed the rating(s) of Divyashakti Foods Private Limited (DFPL) under the 'issuer non-cooperating' category as DFPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DFPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 12, 2022, January 22, 2022, February 01, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [February 26, 2021](#)

Analytical approach: Consolidated

Consolidated financials of the company include financials of subsidiary i.e. Divyajyoti Agritech Private Limited (DJAPL) and associate concern namely Chatak Agro India Private Limited (CAIPL).

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Indore (Madhya Pradesh) based Divya Shakti Fertilizer and Chemicals Private Limited (DSFCPL) was incorporated in March 19, 2008 by Mr. Alok Gupta and Mr. Mohit Airen to set up fertilizer manufacturing plant. Subsequently, it has changed its name from Divya Shakti Fertilizer and Chemicals Private Limited to Divyashakti Foods Private Limited from January 21, 2022. However, it changed the scope of the project and instead of fertilizer project, decided to set up food processing and preservation unit. The unit is proposed to be set up at Tillore Khurd district (Teh: Indore). The unit will be used for processing of vegetables like onion, garlic, spinach, carrots and others. For this, the company will carry out the dehydration process of these vegetables and will sale to the customers as per requirements.

Brief Financials (Rs. crore)	31-03-2020(A)	31-03-2021(A)	31-03-2022(Prov.)
Total operating income	33.24	29.66	NA
PBILDT	3.41	2.79	NA
PAT	0.57	1.30	NA
Overall gearing (times)	1.55	0.93	NA
Interest coverage (times)	1.64	1.14	NA

A: Audited; Prov.: Provisional; NA: Not Available

¹ Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based-Long Term		-	-	December, 2025	9.00	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based-Long Term	LT	9.00	CARE B; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE B; Stable; ISSUER NOT COOPERATING * (26-Feb-21)	1)CARE B+; Stable (06-Dec-19)

*Issuer did not cooperate; Based on best available information

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

Annexure 4: Complexity level of various instruments rated for this firm

Sr. No	Name of instrument	Complexity level
1	Fund-based-Long Term	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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