

Shree Shankar Vijay Timber Exports Private Limited

June 17, 2021

Rating

Facilities	Amount (Rs. crore)	Ratings ¹	Rating Action
Long Term / Short Term Bank Facilities	47.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable/ A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable / CARE A4; (Double B Minus; Outlook: Stable / A Four)
Short Term Bank Facilities	0.22	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	47.22 (Rs. Forty-Seven Crore and Twenty-Two Lakhs Only)		

Details of instruments/facilities in Annexure I

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated May 06, 2020, placed the rating(s) of Shree Shankar Vijay Timber Exports Private Limited (SVTEPL) under the 'issuer non-cooperating' category as SVTEPL 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. SVTEPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 22, 2021 and April 11, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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).

The ratings have been revised on account of non-cooperation by SVTEPL and CARE's efforts to undertake a review of the ratings outstanding. CARE views information availability risk as a key factor in its assessment of credit risk.

Detailed description of the key rating drivers

Please refer to PR dated [May 06, 2020](#)

Analytical approach: Combined

CARE has combined the risk profile of Shree Shankar Vijay Timber Exports Private Limited (SSTEPL), Shiv Prasad Eco Touchwood Private Limited (SPETPL) and Shiv Prasad Enterprises (SPE) to arrive at credit rating for Shiv Prasad Eco Touchwood Private Limited till FY18 when all financials available.

However, after FY19, the financials of one of the group company namely Shiv Prasad Enterprises was not available owing to partnership nature of constitution, hence combined financials are only presented till FY18.

Applicable Criteria

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

About the Company

Shree Shankar Vijay Timber Exports Private Limited (SVTEPL) was incorporated by Mr Kirti Patel in 1975. SVTEPL is engaged in the business of timber trading, wherein it majorly imports teakwood from Myanmar (Burma), Chile and Ecuador. The company earns the entire revenue from the domestic market where it invites its regular customers with whom the group has been dealing since past three decades. The company caters to retailers & saw mills based out of Kerala, Andhra Pradesh, Karnataka and Mumbai.

Brief background of group company i.e. Shiv Prasad Eco Touchwood Private Limited (SPETPL) and Shiv Prasad Enterprises (SEP)

SVTEPL belongs to the Shiv Prasad group, founded by Mr Kirti Patel. The two other group entities (namely Shiv Prasad Eco Touchwood Private Limited & Shiv Prasad Enterprises) are engaged in the trading of teak round logs and veneers. Furthermore, all the group companies share operational synergies in terms of common controlling office and have joint marketing channels in similar target markets. Furthermore, Shiv Prasad Eco Touchwood Private Limited & Shiv Prasad Enterprises have given corporate guarantee to the bank facilities of SVTEPL.

Attribute ID	Brief Financials (Rs. crore) Combined	FY17 (A)	FY18 (A)
12	Total operating income	105.14	90.95
29	PBILDT	2.85	2.56
47	PAT	1.01	0.95
1090	Overall gearing (times)	1.23	0.31
1095	Interest coverage (times)	2.18	2.13

A: Audited

Attribute ID	Brief Financials (Rs. crore) – Standalone of SVTEPL	FY19 (A)	FY20 (A)
12	Total operating income	31.82	50.79
29	PBILDT	0.74	1.85
47	PAT	0.35	0.51
1090	Overall gearing (times)	0.08	1.24
1095	Interest coverage (times)	3.40	1.56

A: Audited

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	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - ST-Bank Guarantees	-	-	-	0.22	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Letter of credit	-	-	-	47.00	CARE B+; Stable / CARE A4; 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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Non-fund-based - ST-Bank Guarantees	ST	0.22	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Feb-19)
2.	Non-fund-based - LT/ ST-Letter of credit	LT/ST	47.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (06-May-20)	-	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (07-Feb-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: Not applicable

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Non-fund-based - LT/ ST-Letter of credit	Simple
2.	Non-fund-based - ST-Bank Guarantees	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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