

Press Release

Sharda Timber Private Limited

August 23, 2018

Rating Review



Total Bank Facilities Rated	Rs. 33.50 Crore#
Long Term Rating	ACUITE BB- Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) to the bank facilities of Sharda Timber Private Limited (STPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: Acuite 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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Trading Entities - <https://www.acuite.in/view-rating-criteria-6.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>

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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Company:

Sharda Timber Private Limited (STPL), incorporated in 2013, is a Haryana-based company engaged in the trading of timber. The company procures timber from Singapore, New Zealand and Malaysia and sells the same across India. The manufacturing facilities are located at Gandhinagar, Gujarat.

About the Rated Entity – Key Financial Indicators:

For FY2015-16, STPL reported profit after tax (PAT) of Rs.0.55 crore on operating income of Rs.102.30 crore, as compared with PAT of Rs.0.37 crore on operating income of Rs.106.99 crore in FY2014-15. The net worth stood at Rs.8.65 crore as on 31 March, 2016, compared to Rs.8.79 crore a year earlier.

Any other information:

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

Rating History (Upto last three years)

Acuite Ratings & Research Limited (erstwhile SMERA Ratings Limited)

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Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
13-Jun-2017	Cash Credit	Long Term	5.00	ACUITE BB-/Stable (Reaffirmed)
	Letter of Credit	Short Term	28.50	ACUITE A4+ (Reaffirmed)
09-Mar-2016	Cash Credit	Long Term	5.00	ACUITE BB-/Stable (Assigned)
	Letter of Credit	Short Term	28.50	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB- (Indicative)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	28.50	ACUITE A4+ (Indicative)

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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