

Press Release

Sharda Timber Private Limited

April 27, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.50	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	33.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Refer Annexure for details

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

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B+** ' (read as **ACUITE B plus**) and the short-term rating of '**AUITCE A4**' (read as **ACUITE A four**) on the Rs. 33.50 crore bank facilities of Sharda Timber Private Limited (STPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

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. Mr. Vikas Goyal and Mr. Krishan Kumar Goyal, the promoters have around three decades of experience in the aforementioned line of business.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

Not Applicable

Any other information

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

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Jan 2021	Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Letter of Credit	Short Term	28.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
13 Nov 2019	Letter of Credit	Short Term	28.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
23 Aug 2018	Cash Credit	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
	Letter of Credit	Short Term	28.50	ACUITE A4+ (Issuer not co-operating*)
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

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	28.50	ACUITE A4 Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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