

## Press Release

### Garg Lumbers Private Limited

August 18, 2022



#### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	3.00	ACUITE BB+   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	28.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

#### Rating Rationale

Acuite has reaffirmed the long-term rating at '**ACUITE BB+**' (read as **ACUITE double B plus**) and the short term rating at '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 28.00 Crore bank facilities of Garg Lumbers Private Limited (GLPL). This rating is now an indicative rating and is based on best available information.

#### About the Company

Gujarat based, Garg Lumbers Private Limited (GLPL) was incorporated in 2005 by Mr. Sameer Garg and Mrs. Reeta Garg. The company is a part of Delhi based Sumitra Rajkripal Group. GLPL is engaged in trading of timber logs and sawn timber. GLPL imports wood from Malaysia, Ghana, Costa Rica and Ecuador and sells it in domestic market mainly in five states i.e. Gujarat, Delhi, Haryana, Rajasthan and Uttar Pradesh.

#### About the Group

Rajkripal group was founded in 2004 by Mr. Garg and family. The group includes Garg Lumbers Private Limited (GLPL) and Rajkripal Timber Industries Private Limited (RTIPL). The group is mainly engaged in trading of timber and is also engaged in manufacturing of plywood. The group has presence across Gujarat, Delhi, Haryana, Rajasthan and Uttar Pradesh among others.

#### 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. Acuite believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with 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.

### Rating Sensitivities

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

### Material Covenants

None.

### Liquidity Position

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

### Outlook

Not Applicable

### Key Financials:

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

### 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

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitle: <https://www.acuite.in/view-rating-criteria-61.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
25 May 2021	Letter of Credit	Short Term	25.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BB+   Stable (Upgraded from ACUITE BB   Stable)
26 Feb 2020	Cash Credit	Long Term	3.00	ACUITE BB   Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A4+ (Reaffirmed)
08 May 2019	Cash Credit	Long Term	3.00	ACUITE BB   Stable (Reaffirmed)
	Letter of Credit	Short Term	25.00	ACUITE A4+ (Reaffirmed)
17 May 2018	Cash Credit	Long Term	3.00	ACUITE BB   Stable (Assigned)
	Letter of Credit	Short Term	25.00	ACUITE A4+ (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+   Reaffirmed   Issuer not co-operating*
Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*

## Contacts

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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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