

June 12, 2024

Sita Ram International LLP: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term-Non-Fund Based- Others	20.00	20.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Cash Credit	2.50	2.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	22.50	22.50	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-term ratings of Sita Ram International LLP in the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING*.

As part of its process and in accordance with its rating agreement with Sita Ram International LLP, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financial Indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

SRIL, established in 2018, is a part of much larger Sita Ram Group and is in the business of trading timber. It is promoted by Mr. Sarthak Singhal and Mrs. Anuradha Singhal. SRIL has offices in Delhi, Kutch and Gandhidham. The firm's factory in Gandhidham, Gujarat is spread across an area of 9 acres and operates a total of 16 saw mills. Major proportion of SRIL's income is generated from sales of hardwood and pinewood products. It imports hardwood and pinewood logs from various countries like Malaysia, Africa, Canada etc., which are sawn in firm's Gandhidham based facility and sold in the domestic market. SRIL's other business segments includes trading of branded spruce wall panels and manufacturing of flush door shutters. The branded spruce wall panels imported from various countries including Germany, Russia etc. command high demand in domestic market and contribute to a considerable portion of SRIL's total operating income. SRIL has also established flush door manufacturing unit in Gandhidham. Apart from these major business segments, the firm also deals in block boards, dust wood, firewood, waste wood and birch plywood. However, currently, the sales of these products are very small.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
					12-June-2024			
1	Non-Fund Based- Others	Short Term	20.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	-
2	Fund Based-Cash Credit	Long Term	2.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Fund Based- Others	Very Simple
Fund Based-Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Non-Fund Based- Others	NA	NA	NA	20.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	Fund Based-Cash Credit	NA	NA	NA	2.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Sita Ram International LLP

Annexure-2: List of entities considered for consolidated analysis: Not applicable

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