

## Siddhartha Refinery and Solvent Industries Private Limited: Rating withdrawn

January 03, 2024

### Summary of rating action:

Instrument	Rated Amount (NPR Million)	Rating Action
Short-term loan limits	831.2	Rating withdrawn

### Rating action

ICRA Nepal has withdrawn the short-term loan rating of [ICRANP] A4 'Issuer Not Cooperating' (pronounced ICRA NP A four, Issuer Not Cooperating) assigned to Siddhartha Refinery and Solvent Industries Private Limited (SRSI or the company). The rating action has been taken in accordance with the Credit Rating Regulations 2011, following the non-cooperation from SRSI for rating surveillance, despite multiple follow-ups. Prior to this withdrawal, the rating was kept on notice for withdrawal for a period of six months, during which period also there was no cooperation from the company for rating surveillance. ICRA Nepal does not have any information to suggest that the credit risk has changed since the time the rating was last reviewed.

### Rationale

The key rating drivers, rating sensitivities, key financial indicators have not been captured as the rating is being withdrawn.

ICRA Nepal assesses whether the information available about the entity is commensurate with its rating and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy' available at [www.icranepal.com](http://www.icranepal.com). As part of its process and in accordance with its rating agreement with SRSI, ICRA Nepal had been trying to seek comprehensive information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained largely non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the rating has been withdrawn.

### Link to the previous rating rationales:

[Siddhartha Refinery and Solvent Industries Private Limited- Fresh Bank Loan Rating-November 2021](#)  
[Siddhartha Refinery and Solvent Industries Private Limited-Issuer not cooperating-June 2023](#)

**Analytical approach:** For arriving at the rating, ICRA Nepal has applied its rating methodologies as indicated below:

### Links to the applicable criteria:

[Corporate Credit Rating Methodology](#)  
[ICRA Nepal's policy on withdrawal of credit rating](#)

### About the company

Promoted by the Siddhartha Group, Siddhartha Refinery and Solvent Industries Private Limited (SRSI) was established in 2003 in Rupandehi, Nepal. When last rated, the company used to manufacture refined edible soyabean, sunflower and palmolein oils by importing crude oil from abroad. During last rating, the company had a refining capacity of ~120 metric tonne per day. SRSI's head office is in Bhairahawa, Rupandehi, and its factory is in Gurwania, Rupandehi. When last rated, the business was chaired by Mr. Arpit Kumar Agrawal, who then owned 28% stake, while other shareholders—Mr. Jagadish Kumar Agrawal, Mr. Rajesh Kumar Agrawal and Mrs. Sangita Khetan (Agrawal)—each held 24% stake in the company.

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