

RATING RATIONALE

Saboo Sodium Chloro Ltd.

Brickwork Ratings revises the Long Term ratings for the Bank Loan Facilities of ₹ 13.45 Crores of Saboo Sodium Chloro Ltd. based on the best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (May, 2018)	Present
Fund Based Working Capital Term Loan	10.00 2.95	10.00 2.95	Long Term	BWR BB (Stable) [Reaffirmed]	BWR BB- (Stable) [Downgraded] Issuer Not Cooperating*
Non-fund Based Bank Guarantee	0.50	0.50	Short Term	BWR A4+ [Reaffirmed]	BWR A4 [Downgraded] Issuer Not Cooperating*
Total	13.45	13.45	INR Thirteen crores and forty five lakhs Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

**O/s balance available as per information available with BWR in May' 2018

Details of Bank facilities provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The long term rating of the Bank Loan Facilities of the firm has been downgraded to BWR BB- (Stable) and the short term rating has been downgraded to BWR A4 under the 'Issuer Not Cooperating' category.

BWR had initially assigned rating of BWR BB(Stable)/ BWR A4+ for the bank loan facilities on 29 Dec' 2015. The rating was reaffirmed on 08 Feb' 2017 and again reaffirmed in the next year on 02 May' 2018. The rating was moved to RNR category on 05 Aug, 2019. BWR took up with the issuer consistently to provide required information over emails apart from telephonic communication. Monthly No Default Statement (NDS) is also not being submitted by the client. Further, as per banker's feedback, operations of the account are satisfactory and conduct of account is standard and regular.

Despite the best efforts of BWR to get at least the minimum required information for a review,



the entity has not provided the same. In the absence of adequate information from the firm, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS (in ₹ Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 2017	FY 2016
Result Type		Audited	Audited
Net Sales/Revenues	₹ Cr	22.99	22.04
EBIDTA	₹ Cr	5.08	5.08
PAT	₹ Cr	(0.58)	0.95
Tangible Networkth	₹ Cr	26.62	22.17
Total Debt : TNW	Times	1.12	1.28
Current ratio	Times	1.42	1.91

COMPANY PROFILE (As available with BWR in May, 2018)

Jaipur (Rajasthan) based SSCL was incorporated in November 1993 and is a part of the Saboo Group (SG). The group is promoted by Mr. Girdhar Saboo and his family members and has interests in refining of salt, trading of spices, power generation and hospitality. SSCL has been listed on the Bombay Stock Exchange since December 2000. SSCL is presently engaged in the refining and trading of salt which is marketed under the brand name "Surya Salt".

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Available

RATING HISTORY

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2019	02 May' 2018	08 Feb' 2017*
Fund Based Working Capital Term Loan	Long Term	10.00 2.95	BWR BB- (Stable) [Downgraded] “Issuer Not Cooperating”	-	BWR BB (Stable) [Reaffirmed]	BWR BB (Stable) [Reaffirmed]
Non-fund Based Bank Guarantee	Short Term	0.50	BWR A4 [Downgraded] “Issuer Not Cooperating”	-	BWR A4+ [Reaffirmed]	BWR A4+ [Reaffirmed]
Total		13.45	INR Thirteen crores and forty five lakhs Only			

*On 29 Dec, 2015; long term rating BWR BB(Stable)/ BWR A4+ was assigned

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

Saboo Sodium Chloro Ltd.

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1.	State Bank Of India	Working Capital	10.00	-	10.00
		Term Loan	2.95	-	2.95
		Bank Guarantee	-	0.50	0.50
TOTAL					13.45

Total Rupees Thirteen crores and forty five lakhs only.

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