

Salora International Limited

January 04, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|---|---|
| Long Term Bank Facilities | 55.00 | CARE C; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable |
| Short Term Bank Facilities | 15.00 | CARE A4; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1

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

Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated October 17, 2022, placed the rating(s) of Salora International Limited (SIL) under the 'issuer non-cooperating' category as SIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 02, 2023, September 12, 2023, September 22, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of SIL have been revised on account of non-availability of requisite information. The ratings also factored in continued operating as well net losses during FY23 as well as H1FY24.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

Please refer to PR dated [October 17, 2022](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on Default Recognition](#)
[Criteria on assigning outlook and credit watch](#)

About the Company

Salora International Limited (ISIN: INE924A01013) is currently engaged into trading and manufacturing of mobile handsets and televisions. The commenced its operations in 1977 under the guidance of Mr S R Jiwrajka and Mr Obel Reddy. Presently, the company is managed by Mr. Gopal Jiwrajka and his sons, Mr. Tarun Jiwrajka (Marketing and Finance) and Mr. Ayush Jiwrajka (Technology & Operations). The company operates in two segments viz. Consumer Electronics and wind energy segment.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

| Brief Financials (Rs. crore) | March 31, 2022 (A) | March 31, 2023 (A) | H1FY24 (UA) |
|------------------------------|--------------------|--------------------|-------------|
| Total operating income | 69.64 | 115.72 | 78.99 |
| PBILDT | -11.52 | -3.50 | -1.19 |
| PAT | 24.05 | -8.97 | -1.40 |
| Overall gearing (times) | 0.25 | 0.31 | 0.27 |
| Interest coverage (times) | NM | NM | NM |

A: Audited, UA: Unaudited, NM: Not Meaningful, note: *the above results are latest financial results available

Status of non-cooperation with previous CRA: Brickwork has continued the ratings assigned to the bank facilities of SIL to the 'issuer non-cooperation category vide a press release dated November 22, 2023, on account of its inability to review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 55.00 | CARE C; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-BG/LC | | - | - | - | 15.00 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|---|---|--|--|--|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 |
| 1 | Fund-based - LT-Cash Credit | LT | 55.00 | CARE C; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Oct-22) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-Jul-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (22-May-20) |
| 2 | Non-fund-based - ST-BG/LC | ST | 15.00 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (17-Oct-22) | 1)CARE A4; ISSUER NOT COOPERATING* (20-Jul-21) | 1)CARE A4; ISSUER NOT COOPERATING* (22-May-20) |

*Issuer did not cooperate; Based on best available information

Annexure 3: Covenants of rated instrument/facility: Not Applicable

Annexure-4: Complexity level of the various instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|-----------------------------|------------------|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Non-fund-based - ST-BG/LC | Simple |

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About Us:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

Disclaimer

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