

Sai Industries Private Limited

June 14, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|---|---------------------|---|--|
| Long Term Bank Facilities | 2.94 | CARE BB-; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable; |
| Long Term / Short Term Bank Facilities | 8.20 | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable / CARE A4; |
| Short Term Bank Facilities | 17.50 | 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 and key rating drivers

CARE Ratings Ltd. had, vide its press release dated March 24, 2023, placed the rating(s) of Sai Industries Private Limited (SIPL) under the 'issuer non-cooperating' category as SIPL 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. SIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 07, 2024, February 17, 2024, February 27, 2024.

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 SIPL have been revised on account of non-availability of requisite information. The revision also factored in significant decline in scale of operation as well as overall profit during FY23 over FY22.

Analytical approach: Standalone

Combined till FY22. CARE had taken combined approach for SIPL, Bhagirathi Packaging Private Limited (BPPL), Sai Surfactants Private Limited (SSPL) & Kamakhya India Limited (KIL) as the above companies operate under common management, are involved in similar lines of business, have operational linkages and exhibit cash flow fungibility. These four companies have been collectively referred as Fogla Packaging Group (FPG). However, updated information is not available to ascertain financial linkages that warrant a continuation of combined approach.

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [March 24, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[CARE Ratings' criteria on consolidation & combined approach](#)

About the company

Incorporated in April 2003, SIPL belongs to the Kolkata based Fogla Packaging group. The FPG comprises of four companies in the Industrial Packaging segment namely BPPL, KIL, SIPL and SSPL. The group is engaged in manufacturing of industrial chemicals & packaging materials. The group commenced operations four decades ago under the leadership of Mr. Vishnu Fogla and is currently assisted by his son Mr. Rishi Fogla for the day-to-day operations. FPG is engaged in manufacturing of PP/ HDPE woven sacks for 30 years. The group has presence in the domestic as well as the international market.

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

Standalone:

| Brief Financials (Rs. crore) | March 31, 2022 (A) | March 31, 2023 (A) |
|------------------------------|--------------------|--------------------|
| Total operating income | 124.39 | 93.31 |
| PBILDT | 4.56 | 3.51 |
| PAT | 1.40 | 0.03 |
| Overall gearing (times) | 1.10 | 1.19 |
| Interest coverage (times) | 2.65 | 1.78 |

A: Audited, Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

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-Term Loan | | - | - | 01/11/2026 | 2.94 | CARE BB-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - ST-EPC/PSC | | - | - | - | 4.00 | CARE A4; ISSUER NOT COOPERATING* |
| Fund-based - ST-Foreign Bill Discounting | | - | - | - | 1.50 | CARE A4; ISSUER NOT COOPERATING* |
| Fund-based - ST-Packing Credit in Foreign Currency | | - | - | - | 9.00 | CARE A4; ISSUER NOT COOPERATING* |
| LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC | | - | - | - | 8.00 | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* |
| Non-fund-based - LT/ ST-Bank Guarantee | | - | - | - | 0.20 | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Letter of credit | | - | - | - | 3.00 | CARE A4; ISSUER NOT COOPERATING* |

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

Annexure-2: Rating history for the 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 2024-2025 | 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 |
| 1 | LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC | LT/ST | 8.00 | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE BBB-; Stable / CARE A3 (04-Mar-22) |
| 2 | Non-fund-based - LT/ST-Bank Guarantee | LT/ST | 0.20 | CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE BBB-; Stable / CARE A3 (04-Mar-22) |
| 3 | Fund-based - ST-EPC/PSC | ST | 4.00 | CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE A3 (04-Mar-22) |
| 4 | Fund-based - ST-Packing Credit in Foreign Currency | ST | 9.00 | CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE A3 (04-Mar-22) |
| 5 | Fund-based - ST-Foreign Bill Discounting | ST | 1.50 | CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE A3 (04-Mar-22) |
| 6 | Non-fund-based - ST-Letter of credit | ST | 3.00 | CARE A4; ISSUER NOT COOPERATING* | - | - | 1)CARE A4; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE A3 (04-Mar-22) |
| 7 | Fund-based - LT-Term Loan | LT | 2.94 | CARE BB-; Stable; ISSUER NOT COOPERATING* | - | - | 1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Mar-23) | 1)CARE BBB-; Stable (04-Mar-22) |

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

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable**Annexure-4: Complexity level of the various instruments rated**

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|--|------------------|
| 1 | Fund-based - LT-Term Loan | Simple |
| 2 | Fund-based - ST-EPC/PSC | Simple |
| 3 | Fund-based - ST-Foreign Bill Discounting | Simple |
| 4 | Fund-based - ST-Packing Credit in Foreign Currency | Simple |
| 5 | LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC | Simple |
| 6 | Non-fund-based - LT/ ST-Bank Guarantee | Simple |
| 7 | Non-fund-based - ST-Letter of credit | Simple |

Annexure-5: Lender detailsTo view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: 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:

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