

August 30, 2019

Sonkamal Enterprises Private Limited: Ratings Withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based Limits	30.00	30.00	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING; Withdrawn
Fund-based Sublimit under Non-fund-based Limits	(10.00)	(10.00)	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING; Withdrawn
Non-fund-based Limits	120.00	120.00	[ICRA]A3 ISSUER NOT COOPERATING; Withdrawn
Total	150.00	150.00	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BBB- (pronounced ICRA triple B minus) 'Issuer Not Cooperating' with a stable outlook, and the short-term rating of [ICRA]A3 (pronounced ICRA A three) 'Issuer Not Cooperating' assigned to Rs. 150.00 crore bank lines of Sonkamal Enterprises Private Limited.

Rationale

The ratings are withdrawn in accordance with ICRA's policy on withdrawal and suspension, at the request of the company, and on the basis of the no-due certificate received from its banker.

Outlook: Not applicable

Key rating drivers

Key rating drivers has not been captured as the rated instruments are being withdrawn

Liquidity position

Liquidity position has not been captured as the rated instruments are being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal and Suspension of Credit Rating Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company:

Established in 1980 as a proprietary concern, Sonkamal Enterprises Private Limited (SEPL or the company) commenced operations as a small trader in phenol and other related chemicals. Gradually, in 1999 it was incorporated as a private limited company promoted by Ladhani and Shah family. Presently, SEPL is engaged in bulk trading of petrochemicals such as acetone, phenol, butyl acrylate monomer, di-acetone alcohol and epichlorohydrin. Furthermore, the company is also involved in repackaging (drumming) of petrochemicals for retail sales.

The company has setup its automated repackaging (drumming in size of 200 kg each drum) unit in Panvel, Maharashtra. The company has representative offices in Kolkata, Ahmedabad, Yamuna Nagar, Delhi and Hyderabad for its sales and marketing functions.

Key financial indicators

	FY2016	FY2017
Operating Income (Rs. crore)	374.65	497.93
PAT (Rs. crore)	1.28	4.03
OPBDIT/ OI (%)	1.88%	1.72%
RoCE (%)	11.04%	17.33%
Total Debt/ TNW (times)	1.14	0.94
Total Debt/ OPBDIT (times)	4.84	3.75
Interest coverage (times)	1.52	1.66
NWC/ OI (%)	12%	10%

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Sr. No.	Instrument	Current Rating (FY2020)					Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2019		Date & Rating in FY2018	Date & Rating in FY2017
					August 2019	July 2019	May 2018	April 2018	March 2018	March 2017
1	Cash Credit & Stand by line of credit	Long term	20.00	-	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-	[ICRA]BBB-(Stable)
2	Cash Credit/WCDL – Sublimit of LC	Long term	(10.00)	-	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)		-	-
3	Overdraft	Long term	10.00	-	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING; Withdrawn	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-	[ICRA]BBB-(Stable)
4	Letter of Credit & Bank Guarantee	Short term	120.00	-	[ICRA]A3 ISSUER NOT COOPERATING; Withdrawn	[ICRA]A3 ISSUER NOT COOPERATING	[ICRA]A3	[ICRA]A3	-	[ICRA]A3

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

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	Cash Credit & Stand by line of credit	-	-	-	20.00	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Cash Credit/WCDL – Sublimit of LC	-	-	-	(10.00)	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Overdraft	-	-	-	10.00	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING; Withdrawn
NA	Letter of Credit & Bank Guarantee	-	-	-	120.00	[ICRA]A3; ISSUER NOT COOPERATING; Withdrawn

Source: Sonkamal Enterprises Private Limited

ANALYST CONTACTS

K. Ravichandran

+91 44 4596 4301
ravichandran@icraindia.com

Suprio Banerjee

+91 22 6114 3443
supriob@icraindia.com

Srinivas Menon

+91 22 6169 3354
Srinivas.menon@icraindia.com

Nandan Shah

+91 22 6169 3353
nandan.shah@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
Ahmedabad+ (91 79) 2658 4924/5049/2008
Hyderabad + (91 40) 2373 5061/7251
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents