



**Press Release**  
**SALASAR BALAJI SHIP BREAKERS PRIVATE LIMITED**  
**March 17, 2025**  
**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	ACUITE B+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	75.00	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	100.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

\* The issuer did not co-operate; based on best available information.

**Rating Rationale**

Acuite has downgraded its long-term rating to ‘**ACUITE B+**’ (read as **ACUITE B Plus**) from ‘**ACUITE BB-**’ (read as **ACUITE Double B Minus**) and reaffirmed its short-term rating of ‘**ACUITE A4**’ (read as **ACUITE A Four**) on the Rs. 100.00 crore bank facilities of Salasar Balaji Ship Breakers Private Limited. (SBSBPL). The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information.

Acuite had sent repeated reminders to the company for sharing critical information and documents for surveillance of the ratings. But despite multiple requests, the company has remained non-cooperative in providing any information. The rating downgrade is on account of information risk.

**About the Company**

Gujarat based, Salasar Balaji Ship Breakers Private Limited (SBSBPL) was incorporated in 2000 by Mr. Sanjiv Chaudhary. The promoter has been in ship breaking for more than 3 decades. Prior to SBSBPL, the operations were done under family owned partnership firm, Chaudhary Industries. The company diversified its operations into trading of iron and steel products from 2016. Till date promoter has dismantled more than 100 ships over a period of more than three decades. The company undertakes ship recycling activities at its plot at Alang, Gujarat. Company is ISO 30000:2009; 9001:2015; 14001:2015 and OHSAS 18001:2007 certified. The company has also achieved statement of compliance from RINA class of Hong Kong Convention Compliance and NK class Nippon Kaiji Kyokai, Tokyo in February 2019. All these standards are related to Safe, Environment friendly and Responsible Ship recycling practices.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with

unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

#### **Limitation regarding information availability**

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### **Rating Sensitivities**

No information provided by the issuer / available for Acuite to comment upon

### **Liquidity Position**

No information provided by the issuer / available for Acuite to comment upon

### **Outlook**

Not Applicable

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	23.14	7.17
PAT	Rs. Cr.	0.08	0.24
PAT Margin	(%)	0.34	3.40
Total Debt/Tangible Net Worth	Times	0.27	0.82
PBDIT/Interest	Times	4.66	2.23

### Status of non-cooperation with previous CRA

Not Applicable

### Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Trading Entity: <https://www.acuite.in/view-rating-criteria-61.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Dec 2023	Letter of Credit	Short Term	75.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Proposed Long Term Bank Facility	Long Term	25.00	ACUITE BB-   Stable (Downgraded from ACUITE BB   Stable)
28 Sep 2022	Letter of Credit	Short Term	80.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	20.00	ACUITE BB   Stable (Upgraded from ACUITE BB-   Stable)
22 Jul 2022	Letter of Credit	Short Term	80.00	ACUITE A4 (Downgraded from ACUITE A3)
	Cash Credit	Long Term	20.00	ACUITE BB-   Stable (Downgraded from ACUITE BBB-   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

\* The issuer did not co-operate; based on best available information.

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.