

MIRA INFORM REPORT

Report No. :	526656
Report Date :	28.08.2018

IDENTIFICATION DETAILS

Name :	SOUTHERN CHEMICALS (PTY) LTD
Registered Office :	10 Quark Crescent, Linbro Business Park, Sandton Gauteng South Africa, 2090
Country :	South Africa
Financials (as on) :	2017
Date of Incorporation :	16.02.1996
Com. Reg. No.:	1996/001782/07
Legal Form :	Private Company
Line of Business :	The subject is involved in the sourcing, importing and wholesale of specialty industrial chemicals and additives.
No. of Employees :	10

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A
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Credit Rating	Explanation	Rating Comments
A	Acceptable Risk	Business dealings permissible with moderate risk of default

Status :	Satisfactory
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
South Africa	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

SOUTH AFRICA - ECONOMIC OVERVIEW

South Africa is a middle-income emerging market with an abundant supply of natural resources; well-developed financial, legal, communications, energy, and transport sectors; and a stock exchange that is Africa's largest and among the top 20 in the world.

Economic growth has decelerated in recent years, slowing to an estimated 0.7% in 2017. Unemployment, poverty, and inequality - among the highest in the world - remain a challenge. Official unemployment is roughly 27% of the workforce, and runs significantly higher among black youth. Even though the country's modern infrastructure supports a relatively efficient distribution of goods to major urban centers throughout the region, unstable electricity supplies retard growth. Eskom, the state-run power company, is building three new power stations and is installing new power demand management programs to improve power grid reliability but has been plagued with accusations of mismanagement and corruption and faces an increasingly high debt burden.

South Africa's economic policy has focused on controlling inflation while empowering a broader economic base; however, the country faces structural constraints that also limit economic growth, such as skills shortages, declining global competitiveness, and frequent work stoppages due to strike action. The government faces growing pressure from urban constituencies to improve the delivery of basic services to low-income areas, to increase job growth, and to provide university level-education at affordable prices. Political infighting among South Africa's ruling party and the volatility of the rand risks economic growth. International investors are concerned about the country's long-term economic stability; in late 2016, most major international credit ratings agencies downgraded South Africa's international debt to junk bond status.

Source : CIA

EXECUTIVE SUMMARY

The subject is very well established. No judgments recorded against the subject. There are no principal judgments. A comprehensive trade survey could not be obtained. The subject has an excellent reputation. The subject is considered equal to its normal business engagements.

COMPANY INFORMATION

OVERVIEW

History SOUTHERN CHEMICALS (PTY) LTD was registered in February 1996, and operations commenced immediately.

STATUTORY INFORMATION

Registered Name	SOUTHERN CHEMICALS (PTY) LTD
Registration Number	1996/001782/07
Type Of Company	Private Company
Registered Date	16/02/1996
Date Commenced Trading	16/02/1996
Commercial Status	In Business
Financial Year End	February

CONTACT DETAILS

Contact Number	+27 11 608 0560
Email Address	Enquiries@southernchem.co.za
Fax Number	+27 11 608 1140
Website	www.southernchem.co.za
Social Media Presence	Facebook; LinkedIn
Registered Physical Address	10 Quark Crescent Linbro Business Park Sandton Gauteng South Africa 2090
Trading Physical Address	Linbro Business Park; 10 Quark Crescent Sandton Johannesburg Gauteng South Africa 2196
Postal Address	P O Box 71632 Bryanston Johannesburg Gauteng South Africa 2021

TAX INFORMATION

TAX INFORMATION

Income Tax Number 9545140841

VAT INFORMATION

VAT Status The subject is registered for VAT (VAT number/s made available)
VAT Number 4870163005
Status Active
Registered Name SOUTHERN CHEMICALS (PTY) LTD

OFFICERS AND PROFESSIONAL SERVICES

LIST OF OFFICERS AND PROFESSIONAL SERVICES

Type	Name	Contact Name	Contact Number	Status
Insurance	Mutual & Federal			Unknown
Auditor	H L B Barnett Chown Incorporated		+27118565300	Unknown

OWNERSHIP STRUCTURE

SHAREHOLDING INFORMATION

CURRENT

Shareholder/Member Name	Share/Interest	Type	Comment
Roderick Matthew Proome	90%	Shareholder	
Michael Formo	10%	Shareholder	

PRINCIPAL INFORMATION

DIRECTOR / MEMBER

Full Name	ID No.	Type	Status	DOA	Active Interests	Previous Interests	Judgments	Fraud Listing
Roderick	5005095053082	Director	Active	28/01/1997	2	2	0	0

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Matthew
Proome

ACTIVE BUSINESS INTERESTS: Roderick Matthew Proome

Company Name	Registration No.	Business Status	Principal Status	Principal Type	Judgments
Chemivaal	2018/013234/07	In Business	Active	Director	0
Straightprops 62	2002/001206/07	In Business	Active	Director	0

PREVIOUS BUSINESS INTERESTS: Roderick Matthew Proome

Company Name	Registration No.	Business Status	Principal Status	Principal Type	Judgments
Predate Properties	1998/012024/07	In Business	Resigned	Director	0
Resistant Materials Services	1990/000727/23	Conversion CC/CO	CO/CC or Resigned	Member	0

Management

No principals found for this principal type.

Officer

No principals found for this principal type.

Other

No principals found for this principal type.

BANK ACCOUNT INFORMATION

BANK ACCOUNTS

Account Reference Number	Account Holder	Account Number	Bank Name	Branch Name	Branch Code	Verification Method
ABB132668	SOUTHERN CHEMICALS (PTY) LTD	022521941	Standard Bank (South Africa)	BEDFORD GARDENS	018305	Verified by Document

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OPERATIONAL ACTIVITIES

Operational Activities Status	The following information was provided
Industry	Wholesale & Distribution
Major Industry SIC Code	46699 - Wholesale of industrial chemicals: niline, printing ink, essential oils, industrial gases, chemical glues, colouring matter, synthetic resin, methanol, paraffin, scents and flavourings, soda, industrial salt, acids and sulphurs, starch derivates etc.
Secondary Industry SIC Code(s)	Other business support service activities n.e.c.
NACE Code	46,75 - Wholesale of chemical products

MAJOR OPERATION

Major Business Activities	The subject is involved in the sourcing, importing and wholesale of specialty industrial chemicals and additives.
Foreign Trade Activities	International
Agencies Held	Subject holds agencies, but declined information.
Franchises Held	The subject holds no franchises.
Major Suppliers	<ul style="list-style-type: none">• Air Products• Chemical And Research• R B And Sons• Micronized• B A S F• Greif S A
Major Customers	<ul style="list-style-type: none">• The Ink Manufacturing Industry• The Paint Manufacturing Industry• The Adhesives Industry• The Rubber Manufacturing Industry• The Agrochemicals Industry
Major Brands	Subject does not have any brands.
Major Contracts	Subject does not operate on a contract basis.

EXPORT ACTIVITIES

Subject exports

Exports To Africa **To the value of**

IMPORT ACTIVITIES

Subject imports.

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Imports From **To the value of**

- United Kingdom
- United States
- China

OPERATIONAL FOOTPRINT

Operational Footprint Status The following information was provided

BRANCH & PREMISES INFORMATION

Location	Description/Type	Size (m ²)	# of Staff	Rented or Owned	Lease Expiry Date
Sandton	<ul style="list-style-type: none"> • Office • Warehouse 	1,100	9	Leased	N/A

EMPLOYEES

Permanent Employees 10
Salaried Employees 10

COMPANY FLEET

Total Vehicles 4
The fleet is made up of:

Cars / SUV's	1	Owned
Light Delivery Vehicles	1	Owned
Trucks	2	Owned

GENERAL COMMENTS

General Comments The head office premises are reported to be owned by an affiliated property owning company, free of bond.

FINANCING TERMS

FINANCING TERMS

Sales Terms

- 30 Days
- 45 Days
- COD

Overdraft Facility The Subject has an overdraft facility.

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Overdraft Usage	Never
Sureties	The Principals have signed sureties
Debtors Ceded	Debtors have been ceded.
Debtors Factored	Debtors have not been factored.
Bonds	The Subject has no bonds.

FINANCIAL FIGURES

FINANCIAL FIGURES

Financial Year	2017	2016
Currency	ZAR	ZAR
Actual numbers, 000' or mio	Actual Numbers	Actual Numbers
Source	Audited financial statements	Audited financial statements

INCOME STATEMENT

Turnover/Revenue	153,750,960	159,988,795
Cost of Goods Sold	116,402,304	122,945,679
Gross Profit	37,348,656	37,043,116
Operating Profit	26,628,567	26,788,586
Net Profit	20,050,966	19,719,365

BALANCE SHEET

Fixed Assets	594,582	745,375
Property, Plant & Equipment	386,914	537,707
Current Assets	79,653,822	75,702,574
Inventory	32,133,229	42,293,812
Account Receivable	17,845,567	24,391,166
Cash	29,675,026	9,017,596
Total Assets	80,248,404	76,447,949
Current Liabilities	33,015,751	27,419,655
Accounts Payable	9,871,237	13,828,553
Loans	22,000,000	12,000,000
Total Liabilities	33,251,633	27,502,144
Equity	46,996,771	48,945,805
Share Capital	100,900	100,900
Retained Earnings	46,895,871	48,844,905
Total Equity and Liabilities	80,248,404	76,447,949

FINANCIAL RATIOS

Gross Profit Margin	24%	23%
Operating Profit Margin	17%	17%
Current Ratio	2.4	2.8
Acid Test Ratio	1.4	1.2

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TRADE REFERENCES

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Trade Reference	Date	Trade Score	Terms Given (Taken) in days	Monthly Limit Given (Taken)	Account Opened	Payment Trend (prev. 3 years)	Account Insured	Notes
TR180827227	27/08/2018	Neutral	30 Days (30 Days)	Open Account (300,000 (ZAR)	1996	75 % 100 %	Yes	This is a good account.
TR180827224	27/08/2018	N/A				50 %		Relevant person unavailable
TR17111497	14/11/2017	N/A				100 %		Relevant person unavailable
TR17111477	14/11/2017	N/A				50%		No record of account
TR17111467	14/11/2017	N/A						Company policy not to provide trade references
LTR17011239	12/01/2017	N/A						Company policy not to provide trade references
LTR17011240	12/01/2017	N/A						Company policy not to provide trade references

TRADE REFERENCE ANALYTICS

Number of valid Trade References	8
Average Usage of Terms	100%

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Average Monthly Purchase 171,429 ZAR

GENERAL COMMENTS

General Comments Further creditor details were not made available for trade reference purposes.

COURT NOTICES

No judgments on file in the name of the subject
No liquidation applications on file in the name of the subject

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 70.04
UK Pound	1	INR 89.95
Euro	1	INR 81.30
ZAR	1	INR 4.96

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)