

Press Release

Bagadia Brothers

February 15, 2019

Rating Withdrawn



Total Instruments Rated*	Rs. 33.00 Cr.
Long Term Rating	ACUITE B+ (Withdrawn)
Short Term Rating	ACUITE A4 (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE B+** (read as **ACUITE B plus**) and short term rating of '**ACUITE A4** (read as **ACUITE A four**) to the Rs. 33.00 crore bank facilities of Bagadia Brothers (BB). The rating withdrawal is in accordance with the Acuite's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Bagadia Brothers (BB), based at Bengaluru, was established in 1980 as a partnership firm is engaged in the trading of iron and steel products. The firm is also engaged in the manufacturing of electrical transformers at its branch in Vadodara.

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of BB.

About the Rated Entity Financials

	Unit	FY18 (Prov.)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	62.34	42.12	59.62
EBITDA	Rs. Cr.	1.52	0.70	0.30
PAT	Rs. Cr.	0.16	0.42	0.58
EBITDA Margin	(%)	2.43	1.65	0.50
PAT Margin	(%)	0.26	0.99	0.97
ROCE	(%)	10.47	11.45	9.64
Total Debt/Tangible Net Worth	Times	0.82	0.33	0.18
PBDIT/Interest	Times	1.39	1.68	1.76
Total Debt/PBDIT	Times	3.99	1.93	1.14
Gross Current Assets (Days)	Days	144	218	204

Status of non-cooperation with previous CRA (if applicable):

None

Any other information

None

Applicable Criteria

- Trading entities-<https://www.acuite.in/view-rating-criteria-6.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition:<https://www.acuite.in/view-rating-criteria-17.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument /Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
18-Sept-2018	Channel Financing	Long Term	10.00	ACUITE B+ /Stable (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE B+ /Stable (Reaffirmed)
	Letter of Credit	Short Term	15.75	ACUITE A4 (Reaffirmed)
	Proposed Bank Facility	Long Term	4.25	ACUITE B+/Stable (Assigned)
13-Jul-2017	Cash Credit	Long Term	3.00	ACUITE B+ /Stable (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE B+ /Stable (Assigned)
	Letter of Credit	Short Term	20.00	ACUITE A4 (Reaffirmed)
08-Jun-2017	Cash Credit	Long Term	3.00	ACUITE B+ /Stable (Downgraded)
	Letter of Credit	Short Term	20.00	ACUITE A4 (Downgraded)
11-Mar-2016	Cash Credit	Long Term	3.00	ACUITE BB- /Stable (Upgraded)
	Letter of Credit	Short Term	20.00	ACUITE A4+ (Upgraded)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Channel Financing	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ (Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE B+ (Withdrawn)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.75	ACUITE A4 (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.25	ACUITE B+ (Withdrawn)

Contacts

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About Acuité Ratings & Research:

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