

August 28, 2015

Facilities	Amount (Rs. Crore)	Ratings
Term Loan	8.84	SMERA B+/Stable (Assigned)
Cash Credit	8.00	SMERA B+/Stable (Assigned)
Letter of Credit	1.50	SMERA A4 (Assigned)

SMERA has assigned a long-term rating of '**SMERA B+**' (**read as SMERA B plus**) and a short-term rating of '**SMERA A4**' (**read as SMERA A four**) to the above mentioned bank facilities of Blaumann Industries Private Limited (BIPL). The outlook is '**Stable**'. The ratings factor in the small scale of operations of the company, weak financial profile and working capital intensive operations. However, the ratings derive comfort from the long standing experience of the promoters in the textile industry and a reputed client base.

### **Outlook: Stable**

SMERA believes BIPL will maintain a stable business risk profile in the medium term on account of its experienced management and reputed clientele. The outlook may be revised to 'Positive' in case the company registers higher-than-expected growth in revenues and net cash accruals while maintaining better profit margins. Conversely, the outlook may be revised to 'Negative' in case the company registers lower-than-expected growth in revenues and profitability, or deterioration in the company's financial risk profile.

### **Rating Sensitivity Factors**

- Scaling up of operations and maintaining stable profit margins
- Efficient working capital management

### **About the Company**

The Kolkata-based Blaumann Agency Private Limited, originally established in 1988 changed its name to BIPL in 2012. The company manufactures elastics tapes and narrow fabric (used in the textile industry) at its two manufacturing facilities located at Kolkata and Howrah in West Bengal. The overall operations of the company are managed by the Director, Mr. Shambhu Prasad Agarwal.

For FY2013-14, BIPL reported profit after tax (PAT) of Rs.0.10 crore on total operating income of Rs.31.02 crore, as compared with PAT of Rs.0.09 crore on total operating income of Rs.38.45 crore in FY2012-13.

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