

Press Release

Bhanu Farms Limited

June 12, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 32.10 Cr. #
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE D**' (read as **ACUITE D**) and short term rating of '**ACUITE D**' (read as '**ACUITE D**') on the Rs. 32.10 crore bank facilities of **Bhanu Farms Limited** (BFL). This rating is now an indicative rating and is based on best available information.

Established in 2010, BFL is a Kolkata-based company that provides cold storage facilities to farmers to store fruits and vegetables. The company has also launched its own brand of frozen food products under the 'Bangur Nature's Gold' and 'Bangur Insta Bite' names in Kolkata, Siliguri, Bhubaneswar and Patna.

Non-cooperation by the issuer/borrower

Acuité 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Entities in Service Sector - <https://www.acuite.in/view-rating-criteria-8.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	16.36	21.62	20.54
EBITDA	Rs. Cr.	(1.67)	(7.22)	(0.31)
PAT	Rs. Cr.	(4.51)	(12.17)	(5.42)
EBITDA Margin	(%)	(10.18)	(33.41)	(1.49)
PAT Margin	(%)	(27.56)	(56.30)	(26.39)
ROCE (%)	(%)	(2.15)	(14.67)	(1.80)
Total Debt/Tangible Net Worth	Times	1.28	0.93	0.76
PBDIT/Interest	Times	0.26	(2.18)	0.02
Total Debt/PBDIT	Times	41.48	(4.20)	376.37
Gross Current Assets (Days)	Days	635	423	431

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

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-Apr-2018	Term Loan	Long Term	10.55	ACUITE D (Downgraded)
	Proposed Term Loan	Long Term	3.19	ACUITE D (Downgraded)
	Cash Credit	Long Term	11.50	ACUITE D (Downgraded)
	Proposed Cash Credit	Long Term	1.81	ACUITE D (Downgraded)
	Proposed Bank Facility	Long Term	0.05	ACUITE D (Downgraded)
	Bank Guarantee	Short Term	5.00	ACUITE D (Downgraded)
26-Dec-2016	Term Loan	Long Term	10.55	ACUITE B- / Stable (Reaffirmed)
	Proposed Term Loan	Long Term	3.19	ACUITE B- / Stable (Assigned)
	Cash Credit	Long Term	11.50	ACUITE B- / Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	1.81	ACUITE B- / Stable (Assigned)
	Derivative Exposure	Long Term	0.05	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Reaffirmed)
19-Oct-2015	Term Loan	Long Term	10.55	ACUITE B- / Stable (Assigned)
	Cash Credit	Long Term	11.50	ACUITE B- / Stable (Assigned)
	Derivative Exposure	Long Term	0.05	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	5.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	10.55	ACUITE D Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	3.19	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	11.50	ACUITE D Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.81	ACUITE D Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.05	ACUITE D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE D Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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