

Press Release

Bharat Industrial Corporation

December 09, 2021



Rating Reaffirmed and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	7.00		ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	6.00	6.00	ACUITE B+ Reaffirmed Issuer not co-operating*	
Total	-	13.00	-	-

Rating Rationale

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

Acuité has reviewed the long-term rating of '**ACUITE B+**' (**read as ACUITE B Plus**) and short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs.13.00 crore bank facilities of **Bharat Industrial Corporation(BIC)**. This rating is now an indicative rating and is based on best available information.

About the Firm

Bharat Industrial Corporation (BIC) is a Bangalore based partnership firm, established in 1965. The firm is promoted by Tejesh Shah, Payal Shah, Ronak Shah and Aashil Shah. It manufactures agarbattis (incense sticks) and dhoop sticks and sells its products in the domestic and export markets. The products are mainly sold in the Middle East and African Countries as well as South-East Asian Countries. The manufacturing facility is located at Bangalore with an installed capacity of 5 lakh dozens of incense sticks and 3 lakh dozens of dhoop sticks. The firm has its own brand name for incense sticks "Panchavati".

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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 endeavored 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.

Material Covenants

Not Applicable.

Outlook

Not Applicable.

Liquidity Indicators

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

Rating Sensitivities

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

About the Rated Entity - Key Financials (Standalone)

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

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

Note on complexity levels of the rated instrument <https://www.acuite.in/view-rating-criteria-55.htm>

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>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Sep 2020	Cash Credit	Long Term	5.50	ACUITE B+ Stable (Reaffirmed)
	Packing Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.50	ACUITE B+ Stable (Reaffirmed)
	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Reaffirmed)
28 Jun 2019	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Reaffirmed)
	Packing Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.50	ACUITE B+ Stable (Assigned)
	Cash Credit	Long Term	5.50	ACUITE B+ Stable (Reaffirmed)
	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Reaffirmed)

26 Feb 2019	Packing Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE B+ Stable (Reaffirmed)
10 Jan 2018	Cash Credit	Long Term	5.00	ACUITE B+ Stable (Upgraded from ACUITE B Stable)
	Packing Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Reaffirmed)
02 Nov 2016	Cash Credit	Long Term	5.00	ACUITE B Stable (Assigned)
	Packing Credit	Short Term	4.00	ACUITE A4 (Assigned)
	Post Shipment Credit	Short Term	3.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Bank of Maharashtra	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.50	5.50	ACUITE B+ Reaffirmed Issuer not co-operating*
Bank of Maharashtra	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	4.00	4.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Post Shipment Credit	Not Applicable	Not Applicable	Not Applicable	3.00	3.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.50	0.50	ACUITE B+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 KanjurMarg, Mumbai.

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