

Press Release

Bina Udyog Private Limited (BUPL)

28 March, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 26.03 Cr. #
Long Term Rating	SMERA B+ Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA B+**' (read as **SMERA B plus**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs 26.03 crore bank facilities of Bina Udyog Private Limited (BUPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity/ industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

Established in 2002, BUPL is engaged in the manufacture of PP bags used for packaging of commodities such as cement, sugar, chemicals, at Howrah. The company has two units with combined production capacity of 700 tonnes per month. The day-to-day operations are managed by Mr. Vivek Agarwal and Mr. Vinod Kumar Agarwal who possess over a decades experience in the aforementioned industry.

About the Rated Entity Financial

	Unit	FY15 (Actual)	FY14 (Actual)	FY13 (Actual)
Operating Income	Rs. Cr.	73.07	68.35	71.50
EBITDA	Rs. Cr.	2.08	4.38	(1.21)
PAT	Rs. Cr.	0.35	0.91	0.71
EBITDA Margin	(%)	2.85	6.41	(1.70)
PAT Margin	(%)	0.48	1.33	0.99
ROCE (%)	(%)	9.21	8.59	17.11
Total Debt/Tangible Net Worth	Times	0.41	0.55	0.55
PBDIT/Interest	Times	1.84	1.95	2.07
Total Debt/PBDIT	Times	2.06	3.25	2.86
Gross Current Assets (Days)	Days	189	177	165

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
30-Dec-2018	Cash Credit	Long Term	INR 17.40	SMERA B+/ Stable (Assigned)
	Term Loan	Long Term	INR 3.65	SMERA B+/ Stable (Assigned)
	Long Term Bank Facility (Proposed)	Long Term	INR 0.98	SMERA B+/ Stable (Assigned)
	Letter of Guarantee*	Short Term	INR 4.00	SMERA A4 (Assigned)

*Interchangeable with letter of Credit to the extent of Rs.2.00 crore

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	INR 17.40	SMERA B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	INR 3.65	SMERA B+ Issuer not co-operating*
Long Term Bank Facility (Proposed)	Not Applicable	Not Applicable	Not Applicable	INR 0.98	SMERA B+ Issuer not co-operating*
Letter of Guarantee#	Not Applicable	Not Applicable	Not Applicable	INR 4.00	SMERA A4 Issuer not co-operating*

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

Interchangeable with letter of Credit to the extent of Rs.2.00 crore

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, D&B and leading public and private sector banks in India. SMERA is registered with SEBI, accredited by RBI as an External Credit Assessment Institution (ECAI), under BASEL-II norms for undertaking Bank Loan Ratings. SMERA Bond Ratings is a division of SMERA Ratings Limited responsible for ratings of bank facilities, and capital market/money market debt instruments such as Bonds, Debentures, Commercial Papers, Fixed Deposits, Certificate of Deposits etc. For more details, please visit www.smera.in.

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