

Press Release

Bharat Industries (BI)

08 February, 2017

Rating Update

Total Bank Facilities Rated	Rs.7.39 Cr#
Long Term Rating (Indicative)	SMERA BB- Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

Refer Annexure for details of instrument.

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

Rating Action

SMERA has reviewed the long term rating of '**SMERA BB-' (read as SMERA double B minus)** and short term rating of '**SMERA A4+' (read as SMERA A four plus)** on the Rs.7.39 Crore bank facilities of Bharat Industries (BI). The ratings are now indicative ratings and are 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 since November 2016. SMERA has also requested for the payment of outstanding surveillance fee.

Information Status	Not Received
Status of Surveillance Fee	Not Received

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

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on the information furnished by the rated entity till November 2015. Due to non-submission of information, SMERA endeavored to gather information about the entity / industry from sources available in public domain. SMERA therefore records its caution to the lenders/investors/public regarding the outdated data/non-reliability of data, on which the indicative credit rating is based.

About the Rated Entity

Bharat Industries is a partnership firm established in 2010 by Mr. Abhishek Jain and Mrs. Richa Jain as partners. BI is based out of Agra and engaged in manufacturing of diesel engines, pumps and generator sets.

In FY2014-15 BI reported Profit after tax (PAT) of Rs. 0.20 crore on operating income of Rs. 31.52 crore, as against a PAT of Rs.0.15 crore on operating income of Rs. 28.10 crore in FY2013-14. The firm's Net worth stood at Rs.3.89 crore as on March 31, 2015.

Rating History for the last three years:

Name of Instrument /Facilities	FY 2017			FY 2016		FY 2015		FY 2014	
	Scale	Amount (Rs. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Term Loan	LT	1.64	SMERA BB- (indicative) Issuer not co- operating*	09 Nov 2015	SMERA BB- /Stable (Assigned)	-	-	-	-
Packing Credit**	ST	5.75	SMERA A4+ (indicative) Issuer not co- operating*	09 Nov 2015	SMERA A4+ (Assigned)	-	-	-	-

**Fully interchangeable with packing credit in foreign currency (PCFC)/foreign bills of purchase (FBP) and foreign bills of negotiation (FBN).

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loan	N.A	N.A	Not Available	1.64	SMERA BB- (indicative) Issuer not co-operating*
Packing Credit**	N.A	N.A	N.A	5.75	SMERA A4+ (indicative) Issuer not co-operating*

*The issuer did not cooperate; based on best available information.

**Fully interchangeable with packing credit in foreign currency (PCFC)/foreign bills of purchase (FBP) and foreign bills of negotiation (FBN).

Contacts:

Analytical	Rating Desk
Vinayak Nayak, Head – Operations, SMERA Bond Ratings Tel: 022-67141190 Email: vinayak.nayak@smera.in Shashank Shukla, Rating Analyst, Tel: 011-4973 1302 Email: shashank.shukla@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

Disclaimer: A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.