

Press Release
Phantom Films Private Limited

December 06, 2018

Rating Update



Total Bank Facilities Rated*	Rs.40.00 Cr.
Long Term Rating	ACUITE BBB- (Under rating watch with developing implications)

* Refer Annexure for details

Rating Rationale

Acuité had placed the long rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on Rs.40.00 Crore bank facilities of Phantom Films Private Limited (PFPL) on '**Rating watch with developing implications**' wide the press release dated October 16, 2018. The watch has been further extended.

The initial watch was in response to media reports that the promoters intend to close down the operations of the company. Since Acuité is still in discussion with the management in this regard, the rating watch has been extended.

Phantom Films Private Limited (PFPL), incorporated in 2011, is engaged in the business of production of feature films, television serials and commercials, and distribution of movies in the domestic market. In April 2015, Reliance Big Entertainment Private Limited (RBE) acquired 50% stake in the company and the rest is being held by three directors - Anurag Kashyap, Vikramaditya Motwane, Vikas Bahl and by Mantena Film Ventures Private Limited (a company of producer Mr. Madhu Mantena).

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of the PFPL to arrive at this rating.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	126.95	262.57	17.06
EBITDA	Rs. Cr.	16.27	16.62	3.47
PAT	Rs. Cr.	1.32	1.27	0.23
EBITDA Margin	(%)	12.82	6.33	20.34
PAT Margin	(%)	1.04	0.45	1.32
ROCE	(%)	1.37	2.86	9.57
Total Debt/Tangible Net Worth	Times	0.39	0.13	0.96
PBDIT/Interest	Times	8.99	8.22	9.07
Total Debt/PBDIT	Times	4.41	1.40	2.22
Gross Current Assets (Days)	Days	304	169	136

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

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
16-Oct-18	Cash Credit	Long Term	40.00	ACUITE BBB- (Under rating watch with developing implications)
21-Dec-17	Cash Credit	Long Term	40.00	ACUITE BBB-/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	40.00	ACUITE BBB- (Under rating watch with developing implications)

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About Acuité Ratings & Research:

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