

## Press Release

### Bhagwati Rice and Agro Industries

December 07, 2018



### Rating Withdrawn

<b>Total Instruments Rated*</b>	Rs. 9.86 Cr.
<b>Long Term Rating</b>	ACUITE BB (Withdrawn)

\* Refer Annexure for details

### Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE BB** (read as ACUITE double B) to the Rs. 9.86 crore bank facilities of Bhagwati Rice and Agro Industries (BRAI). The rating withdrawal is in accordance with the Acuité's policy on withdrawal of rating.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

BRAI, a partnership firm established in 2003 by Mr. Dilip Bhawarlal Sarda and Mr. Govind Bhawarlal Sarda is engaged in the milling, processing and trading of non-basmati rice in Maharashtra. The firm has installed capacity of 58,400 metric tons per annum (MTPA). BRAI sells its products under the 'Super Keshar' (HMT rice), 'Keshar Gold' (Steam Rice), 'Keshar Kali' (Kolam) brand names in Karnataka, Kerala, Andhra Pradesh, Tamil Nadu and Maharashtra.

### Analytical Approach

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

### About the Rated Entity Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	84.51	81.84	71.72
EBITDA	Rs. Cr.	1.68	1.88	1.78
PAT	Rs. Cr.	0.45	0.28	0.22
EBITDA Margin	(%)	1.99	2.29	2.49
PAT Margin	(%)	0.53	0.34	0.30
ROCE	(%)	8.77	11.67	13.36
Total Debt/Tangible Net Worth	Times	1.96	2.61	2.09
PBDIT/Interest	Times	1.94	1.48	1.48
Total Debt/PBDIT	Times	5.88	5.78	4.41
Gross Current Assets (Days)	Days	69	72	71

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

None

### Any other information

None

### Applicable Criteria

- Manufacturing entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments:<https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition:<https://www.acuite.in/view-rating-criteria-17.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. Crore)	Ratings/Outlook
28-Oct-2017	Cash Credit	Long Term	9.00	ACUITE BB /Stable (Assigned)
	Term Loan I	Long Term	0.18	ACUITE BB /Stable (Assigned)
	Term Loan II	Long Term	0.52*	ACUITE BB /Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.16	ACUITE BB /Stable (Assigned)

\*Includes Sublimit of Capex FLC DP of Rs. 0.32 crore

### \*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	9.00	ACUITE BB (Withdrawn)
Term Loan I	Not Applicable	Not Applicable	Not Applicable	0.18	ACUITE BB (Withdrawn)
Term Loan II	Not Applicable	Not Applicable	Not Applicable	0.52*	ACUITE BB (Withdrawn)
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.16	ACUITE BB (Withdrawn)

\*Includes sublimit of Capex FLC DP of Rs. 0.32 crore

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### About Acuité Ratings & Research:

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