



Press Release

Bagh Bahar Appliances Private Limited
January 31, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	90.00	ACUITE C Downgraded Issuer not co-operating*	-
Bank Loan Ratings	21.00	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	111.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from **ACUITE A4+** (read as **ACUITE A four plus**) on the Rs. 111 crore bank facilities of Bagh Bahar Appliances Pvt Ltd (BBAPL). The rating is downgraded on account of default of payment as per the publicly available information. Further, the rating continues to be flagged as "Issuer Not Cooperating" and is based on best available information.

About the Company

BBAPL is a dealer of the flagship company, Shree Sant Kripa Appliances Private Limited (SSKAPL). It was incorporated in 1997 by Mr. Rajesh and Mr. Govind Uttamchandani at Pune. BBAPL is also the exclusive distributor for Samsung mobiles across Pune and its outskirts, LG home appliances in Pune district and Haier home appliances in Mumbai region.

About the Group

SYSKA Group comprises of 6 companies, namely Shree Sant Kripa Appliances Private Limited (SSKAPL), Syska E-Retails LLP (SELLP), SYSKA LED Lights Private Limited (SLLPL), Bagh Bahar Appliances Private Limited (BBAPL), SSK Retails Private Limited (SRPL) and SSK Infotech Private Limited (SIPL). The group is primarily engaged in mobile distribution business exclusively for Samsung under its flagship company SSKAPL. The group is also engaged in the manufacturing and trading of LED lights, home wires, irons, fans and personal care and grooming products under their own brand name of 'SYSKA'. BBAPL is the exclusive distributor for Samsung mobiles across Pune and its outskirts, LG home appliances in Pune district and Haier home appliances in Mumbai region. SRPL currently operates 26 Samsung Smart Phone Cafes across India. SIPL provides electronic data services and solutions to telecom and multi-national companies; and printing and mailing activities such as printing of cheques and current/savings account statements, mainly for banks. SELLP is engaged in the trading of SYSKA Brand Products such as LED Bulbs, Tube Lights, Panel Lights, Irons, Fans, Extension Boards, Power Banks, Bluetooth, Speakers, and Personal Care grooming products for both men and women through ECommerce platforms. SLLPL is engaged in the trading and manufacturing of LED Lights, grooming and personal care products and home wires, irons and fans under the 'SYSKA' brand name.

Unsupported Rating

None

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 the due date.

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

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

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.

Rating Sensitivity

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

Liquidity Position

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

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	4707.90	3710.68
PAT	Rs. Cr.	17.64	(16.11)
PAT Margin	(%)	0.37	(0.43)
Total Debt/Tangible Net Worth	Times	0.87	0.96
PBDIT/Interest	Times	1.27	0.95

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Oct 2023	Cash Credit	Long Term	45.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	45.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Short Term Loan	Short Term	5.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Channel Financing	Short Term	16.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
20 Jul 2022	Cash Credit	Long Term	45.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE A- Stable (Reaffirmed)
	Short Term Loan	Short Term	5.00	ACUITE A2+ (Reaffirmed)
	Channel Financing	Short Term	16.00	ACUITE A2+ (Reaffirmed)
11 Jul 2022	Short Term Loan	Short Term	4.50	ACUITE A2+ (Downgraded from ACUITE A1)
	Cash Credit	Long Term	45.50	ACUITE A- Stable (Downgraded from ACUITE A Stable)
	Channel Financing	Short Term	16.00	ACUITE A2+ (Downgraded from ACUITE A1)
	Cash Credit	Long Term	45.00	ACUITE A- Stable (Downgraded from ACUITE A Stable)
12 Apr 2021	Working Capital Term Loan	Long Term	4.50	ACUITE A Stable (Assigned)
	Short Term Loan	Short Term	5.00	ACUITE A1 (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE A Stable (Reaffirmed)
	Channel Financing	Short Term	15.00	ACUITE A1 (Withdrawn)
	Channel Financing	Short Term	11.00	ACUITE A1 (Assigned)
	Cash Credit	Long Term	45.50	ACUITE A Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	45.00	ACUITE C Downgraded Issuer not co-operating*
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	45.00	ACUITE C Downgraded Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Channel/Dealer/Vendor Financing	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	16.00	ACUITE A4 Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not avl. / Not appl.	Short-term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE A4 Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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