

Press Release

Bewakoof Brands Private Limited

April 10, 2023



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	20.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	20.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.20.00 crore bank facilities of Bewakoof Brands Private Limited (BBPL). This rating is now an indicative rating and is based on account of information risk.

About the Company

Bewakoof Brands Private Limited (BBPL) is a Mumbai based company incorporated in 2011 by Mr. Prabhkirandeep Singh and Mr. Siddharth Munot. The company is engaged in online retailing of merchandise including theme based garments, bags, shoes and mobile covers through its website and mobile application (bewakoof.com) and other e-commerce portals across India.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 07 consecutive months.

Acuite has also been requesting for complete 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. Acuite believes that information risk is a critical component in such ratings, and non-cooperation 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 Acuite'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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

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

Material Covenants

None.

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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	160.68	127.99
PAT	Rs. Cr.	(80.00)	(20.04)
PAT Margin	(%)	(49.79)	(15.66)
Total Debt/Tangible Net Worth	Times	0.79	0.49
PBDIT/Interest	Times	(18.61)	(4.64)

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Not available

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
17 Jan 2022	Term Loan	Long Term	2.40	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	9.02	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	2.58	ACUITE BB Stable (Reaffirmed)

11 Oct 2021	Cash Credit	Long Term	7.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.40	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.02	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.58	ACUITE BB (Downgraded and Issuer not co-operating*)
16 Jul 2020	Term Loan	Long Term	2.58	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.40	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	2.02	ACUITE BB+ (Downgraded and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE BB- Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	9.02	ACUITE BB- Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.58	ACUITE BB- Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	2.40	ACUITE BB- Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Pradeep Singh Senior Analyst-Rating Operations Tel: 022-49294065 pradeep.singh@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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