



## Press Release

Bhairavnath Sugar Works Limited

July 05, 2024

### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	427.00	ACUITE B+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	427.00	-	-

### Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.427.00 Cr. bank facilities of Bhairavnath Sugar Works Limited (BSWL). The rating downgrade is on account of information risk.

#### Rationale for Rating

Acuite had sent repeated reminders to the company for sharing critical information and documents for surveillance of the ratings. But despite multiple requests, the company has remained non-cooperative in providing any information. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best information available.

### About the Company

Bhairavnath Sugar Works Limited (BSWL) was incorporated in the year 2000 in Pune, Maharashtra. The Company has started its business under the Dynamic Leadership of Dr. Tanaji Jayawant Sawant and his Professional Team. The company pioneers in manufacturing of sugar and allied products. In addition to sugar manufacturing, BSWL also has facility for co-generation and selling of power.

#### Unsupported Rating

Not Applicable

#### Non-cooperation by the issuer/borrower

Acuite 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. Acuite 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 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). Acuité endeavoured 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 Sensitivities**

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 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	751.67	351.93
PAT	Rs. Cr.	10.74	1.74
PAT Margin	(%)	1.43	0.49
Total Debt/Tangible Net Worth	Times	5.97	6.99
PBDIT/Interest	Times	2.43	1.99

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### 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>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
11 Apr 2023	Cash Credit	Long Term	234.00	ACUITE BB-   Stable (Assigned)
	Cash Credit	Long Term	21.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	4.26	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	5.45	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	48.92	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	10.38	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	45.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	52.84	ACUITE BB-   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.15	ACUITE BB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Maharashtra State Cooperative Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	234.00	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
The Kalyan Janata Sahakari Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	21.00	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.15	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.26	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
IDBI Bank Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.45	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Mumbai District Central Co-Op Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	48.92	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Punjab National Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.38	ACUITE B+   Downgraded   Issuer not co-operating* (from ACUITE BB- )
Sindhudurg District Central Co-	Not avl. / Not	Term Loan	Not avl. / Not appl.	Not avl. / Not	Not avl. / Not	Simple	45.00	ACUITE B+   Downgraded   Issuer not co-

operative Bank Limited	appl.			appl.	appl.			operating* ( from ACUITE BB- )
Solapur District Central Cooperative Bank Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	52.84	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

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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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