

Press Release

Brahma Industries Private Limited

April 01, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has reviewed long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short term rating of **ACUITE A4+** (read as **ACUITE A4 plus**) on the Rs. 15.00 crore bank facilities of Brahma Industries Private Limited (BIPL). This rating is now an indicative rating and is based on best available information.

BIPL, incorporated in 2007, is a Delhi-based company promoted by Mr. Sunil Garg. The company trades in teak wood imported from Africa and South America. The processing facility is located at Gandhidham, Gujarat.

Analytical approach

Acuite has consolidated the business and financial risk profiles of RajKripal Lumbers Limited (RKLL), Brahma Industries Private Limited (BIPL) and Trish Impex Private Limited (TIPL) together referred to as the 'RajKripal Group'. The consolidation is owing to the common management, financial linkages and similarities in the lines of business. Extent of consolidation: Full

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Entities in Infrastructure – <https://www.acuite.in/view-rating-criteria-14.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-22.htm>

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.

About the Group

The RajKripal Group is engaged in the trading of timber wood, teak wood and cashew. The group comprises three entities namely RajKripal Lumbers Limited (RKLL), Brahma Industries Private Limited (BIPL) and Trish Impex Private Limited (TIPL) managed by Mr. Sunil Garg and family.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	152.08	173.09	148.32
EBITDA	Rs. Cr.	5.24	5.02	4.43
PAT	Rs. Cr.	0.85	0.82	0.43
EBITDA Margin	(%)	3.45	2.90	2.99
PAT Margin	(%)	0.56	0.48	0.29
ROCE (%)	(%)	6.70	6.75	5.33
Total Debt/Tangible Net Worth	Times	0.33	0.33	0.33
PBDIT/Interest	Times	1.43	1.41	1.35
Total Debt/PBDIT	Times	4.20	4.20	4.49
Gross Current Assets (Days)	Days	262	282	316

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

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
16-Feb-2018	Cash Credit	Long Term	2.00	ACUITE BB/ Stable (Reaffirmed)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Reaffirmed)
	Proposed Cash Credit	Long Term	1.00	ACUITE BB (Reaffirmed)
	Proposed Letter of Credit	Short Term	3.00	ACUITE A4+ (Reaffirmed)
26-Sep-2016	Cash Credit	Long Term	2.00	ACUITE BB/ Stable (Upgraded)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Reaffirmed)
	Proposed Cash Credit	Long Term	1.00	ACUITE BB/ Stable (Upgraded)
	Proposed Letter of Credit	Short Term	3.00	ACUITE A4+ (Reaffirmed)
17-Dec-2015	Cash Credit	Long Term	2.00	ACUITE BB- / Stable (Upgraded)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Upgraded)
	Proposed Cash Credit	Long Term	1.00	ACUITE BB-/ Stable (Upgraded)
	Proposed Letter of Credit	Short Term	3.00	ACUITE A4+ (Upgraded)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB Issuer not co-operating*

Letter of Credit	Not Applicable	Not Applicable	Not Applicable	9.00	ACUITE A4+ Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB Issuer not co-operating*
Proposed Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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