

**Binani Industries Ltd**  
**October 09, 2017**

**Ratings**

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Long Term Bank Facilities (Term Loan)	474.93	CARE D [Single D]	Reaffirmed
Total Facilities	<b>474.93</b> (Rupees Four Hundred Seventy-Four crore and Ninety-Three lakhs only)		

@Foreign currency loans amounting USD 69.75 mn converted into INR at the rate of Rs. 68.09/USD as on November 18, 2016

**Rating Rationale**

CARE has revised the ratings assigned to the various bank facilities of Binani Industries Limited (BIL) to 'CARE D' as a result of ongoing delays in debt servicing of the company. The company is facing severe liquidity issues as a result of continuing losses.

**Analytical approach:** Consolidated

**Applicable Criteria**

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Rating Methodology- Manufacturing companies](#)

[Financial ratios : Non-financial sector](#)

**About: Binani Industries Limited**

Binani Industries Limited (BIL) was incorporated on August 02, 1962, and is the holding company of the manufacturing businesses of the Braj Binani Group. The group is actively working in the cement, zinc, glass fibre and downstream composite products sectors. BIL earns revenue by way of royalty income from its subsidiaries for usage of its brand name and also earns revenue for management services that it provides to its subsidiaries/group companies. The major operating companies of BIL are Binani Cement Limited, 3B Fibreglass SPRL (3B) and Goa Glass Fibre Limited.

On consolidated basis, the company reported net losses of Rs.469.13 crore on total operating income of Rs.3875.65 crore in FY17 (refers to the period April 01 to March 31), as against net loss of Rs. 468.94 crore on total operating income of Rs. 4055.74 crore in FY16.

Brief Financials (Rs.Crores)	FY16 (A)	FY17 (A)
Total operating income	4055.74	3875.65
PBILDT	282.94	335.63
PAT	(468.94)	(469.13)
Overall gearing (times)	-	-
Interest coverage (times)	6.12	4.23

A-Audited

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	November 15,2011	LIBOR+800 bps	December 31,2024	474.93	CARE D

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT-Term Loan	LT	474.93	CARE D	-	1)CARE D (29-Nov-16) 2)CARE B+ (12-Apr-16)	1)CARE BB (17-Apr-15)	-

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