



Rating Rationale

24 July 2023

The Bombay Dyeing and Manufacturing Company Limited

Brickwork Ratings Downgrades and Withdraws the Issuer Rating and Bank Loan Ratings of The Bombay Dyeing and Manufacturing Company Limited (BDMCL) and Brickwork Ratings Downgrades and places the FD ratings of The Bombay Dyeing and Manufacturing Company Limited under Notice of Withdrawal.

Particulars

Entity	Rating Type	Tenor	Previous Rating* (02 November 2022)	Present Rating*
The Bombay Dyeing and Manufacturing Company Limited	Issuer	Long Term	BWR BBB+ Rating Watch with Negative Implications	BWR BBB-/Stable/Downgraded/Withdrawn

Facilities/ Instrument**	Previous (Rs. Cr)	Present (Rs. Cr)	Tenor	Previous Rating* (02 November 2022)	Present Rating*
Fund Based- Bank Facility	107.6	103.64	Long Term	BWR BBB+ Rating Watch with Negative Implications	BWR BBB-/ Stable/Downgraded/Withdrawn
Non Fund Based	450.00	450.00	Short Term	BWR A2 Rating Watch with Negative Implications	BWR A3/ Downgraded/Withdrawn
Fund Based- Fixed Deposit	0.54	0.26	Long Term	BBWR BBB+ Rating Watch with Negative Implications	BWR BBB-/Stable/Downgraded/Placed under notice of withdrawal for 3 months
Total	558.14	553.90	(Rupees Five Hundred Fifty Three Crores and Ninety Lakhs Only)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

**Details at Annexure I and Annexure II.

RATING ACTION / OUTLOOK / WITHDRAWAL

Brickwork Ratings had assigned the rating of BWR BBB+/Rating Watch with Negative Implications and BWR A2 to the bank loan facilities of Rs. 557.60 crores, fixed deposits of Rs. 0.54 Crs and Issuer Rating of The Bombay Dyeing and Manufacturing Company Limited. (BDMCL) on November 02, 2022. The Rating watch with negative implications factored in the continued uncertainties associated with timely monetization of land parcels and materiality of the SEBI's action against the promoters/BDMCL.



The company has taken up with BWR for the withdrawal of the Issuer Rating. As per BWR's Rating Withdrawal Policy, the rating has been reviewed based on available information at the time of withdrawal. The rating has been downgraded from BWR BBB+/Rating Watch with Negative Implications to BWR BBB-/Stable based on available information and is simultaneously withdrawn.

The company has also taken up with BWR for withdrawal of the bank loan ratings, along with No Objection Certificates (NOCs) from all the concerned lenders for withdrawal of the existing ratings with BWR. As per BWR's Rating Withdrawal Policy, the ratings have been reviewed based on available information at the time of withdrawal. The ratings have been downgraded from BWR BBB+/Rating Watch with Negative Implications to BWR BBB-/Stable and from BWR A2 to BWR A3 based on available information and are simultaneously withdrawn.

The company has also taken up with BWR for the withdrawal of the Fixed Deposit ratings. The rating has been reviewed based on available information. The rating has been downgraded from BWR BBB+/Rating Watch with Negative Implications to BWR BBB-/Stable. As per BWR rating Withdrawal Policy, the rating is placed under Notice of Withdrawal for 3 months. The rating remains under surveillance during this period

RATING SENSITIVITIES

Negative Factors: Higher than envisaged debt levels and/or lower than expected financial performance of the company.

LIQUIDITY (ADEQUATE)

The liquidity of the company is adequate as the debt obligations of the company of Rs. 958 Crs for FY23 have been met and the debt has come down from Rs. 3856 Crs in FY22 to Rs. 2898.77 Crs as on March 31, 2023. The company has cash & cash equivalents of Rs. 185 crore (P.Y. Rs. 468 crore) and non current investments of Rs. 194 Crs. Besides this, the company has receivables from sold flats and lease rentals.

COMPANY'S PROFILE

The Bombay Dyeing & Manufacturing Co Ltd (BDMC) was founded in 1879 by Mr. Nowrosjee Wadia. Currently, the Wadia group (founded by Mr. Lovji Wadia) has presence across textiles, real estate, aviation, foods and plantations, engineering & chemicals. BDMC is engaged in home textiles, polyester and real estate business. Over the years BDMC has extended its presence from textiles & fabric to polyester staple fiber (PSF) to realty sector.

Non-Cooperation with Previous Credit Rating Agency If Any: NA

Rating History for the Previous Three Years [Including Withdrawal & Suspended]

Sr. No	Entity Type /Instrument/Facilities			Current Rating	Rating History		
		Type	Amt (Rs in Cr)		2023	2022	2021
1	Fund Based (Bank Facilities, excluding LRD)	Long Term	50.00	BWR BBB-/Stable/Downgraded/Withdrawn (July)	BWR BBB+/ Rating Watch with Negative Implications (November 2022) BWR BBB+/ Negative / Reaffirmed (September 2022)	BWR BBB+ Negative (December)	BWR A/Stable (March 2020) BWR A-/Negative (June 2020) BWR BBB+/Negative (November 2020)
2	Fund Based I (Fixed Deposit)	Long Term	0.26	BWR BBB-/Stable/Downgraded/Placing under notice of withdrawal for 3 months (July)	BWR BBB+/ Rating Watch with Negative Implications (November 2022) BWR BBB+*/ Negative / Reaffirmed (September 2022)	BWR F BBB+ Negative (December)	BWR F A/Stable (March 2020) BWR FA-/Negative (June 2020) BWR F BBB+/Negative (November 2020)
3	Non Fund Based	Short Term	450.00	BWR A3/Downgrade/Withdrawn (July)	BWR A2 /Rating Watch with Negative Implications (November 2022) BWR A2/ Reaffirmed (September 2022)	BWR A2 (December)	BWR A2+ (March 2020) BWR A2+ (June 2020) BWR A2 (November 2020)
4	Fund Based (LRD)	Long Term	53.64	BWR BBB-/Stable/Downgraded/Withdrawn (July)	BWR BBB+ / Rating Watch with Negative Implications (November 2022) BWR BBB+ / Negative / Reaffirmed (September 2022)	BWR BBB+ Negative (December)	BWR A-/Negative (June 2020) BWR BBB+/Negative (November 2020)
5	Issuer Rating	Long Term	-	BWR BBB-/Stable/Downgraded/Withdrawn (July)	BWR BBB+/ Rating Watch with Negative Implications (November 2022) BWR BBB+/ Negative / Assigned (September 2022)	-	-
Total			553.90	(Rupees Five Hundred Fifty Three Crores and Ninety Lakhs Only)			

*BWR had removed the prefix 'F' from its Long Term rating i.e. to BWR BBB+ from BWR F BBB+ subsequent to revision in Rating Symbols pursuant to SEBI and RBI Guidelines vide BWR press release dated 29 June 2022.



NA: Not Available

Any other information: NIL

COMPLEXITY LEVELS OF THE INSTRUMENTS - Simple

For more information, visit

www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Manufacturing Companies](#)
- [Rating Criteria – Rating of Real Estate - Residential Projects](#)
- [Short Term Debt](#)
- [Approach to Financial Ratios](#)
- [Rating Withdrawal Policy](#)

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The Bombay Dyeing and Manufacturing Company Limited

Annexure I

Details of Bank Loan Facilities Rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)
1	ICICI Bank	LRD	53.64	-	53.64
2	Bank of Baroda	Cash Credit	50.00	-	50.00
		Inland/Import Letter of Credit	-	450.00	450.00
TOTAL (Rupees Five Hundred Fifty Three Crores and Sixty Four Lakhs Only)					553.64

Annexure II

INSTRUMENT (FDs) DETAILS

Sl. No.	Name of the Instrument	Tenor	Previous Amount (Rs. Crs.)	Present Amount (Rs. Crs.)
1.	Fixed Deposit*	Long Term	0.54	0.26
TOTAL (Rupees Twenty Six Lakhs Only)				

Annexure III

List of entities Consolidated

Sl. No.	Name of the Entity	Nature	% Holding
1.	Pentafil Textile Dealers Limited.	Associate	49%
2.	Bombay Dyeing Real Estate Company Limited	Associate	40%
3.	P. T. Five Star Textile Indonesia	Subsidiary	97.36%



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