



ICRA

ICRA Limited

Ref: D/RAT/2020-21/B-121/5

February 26, 2021

Mr. Sanjay Mahajan  
Head of Finance (Fashion Business)  
Bhartiya International Limited  
38, Sector-44, Gurgaon - 122002  
Haryana

Dear Sir,

**Re: Surveillance of ICRA-assigned Credit Rating for Rs. 553.68 crore Bank facilities and Enhancement of Rs. 50 crore bank facilities of Bhartiya International Limited (BIL)**

Please refer the Rating Agreement/Statement of Work dated December 12, 2017 between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant. Further, please refer Statement of work dated January 15, 2021 seeking an enhancement of the captioned limit(s) (Bank facilities) of your company from Rs.553.68 crore to Rs.603.68 crore.

Please note that the Rating Committee of ICRA, after due consideration, has downgraded the long-term rating of [ICRA]BBB+(pronounced ICRA Triple B plus) assigned earlier to the captioned bank facilities of Rs 553.68 crore, to [ICRA]BBB (pronounced ICRA Triple B), and has assigned a long-term rating of [ICRA]BBB (pronounced ICRA Triple B) to the additional bank facilities of Rs 50-crore. The outlook on the long-term rating has been revised from Negative to Stable. Instruments with [ICRA]BBB rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. Further, the Rating Committee has reaffirmed the short-term rating of [ICRA]A2 (pronounced ICRA A Two) assigned earlier to the captioned bank facilities of your company. In any of your publicity material or other document wherever you are using the above Rating, it should be stated as [ICRA]BBB(Stable)/[ICRA]A2.

The aforesaid Rating will be due for surveillance any time before June 30, 2021.

The Ratings are specific to the terms and conditions of the said bank facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the ratings by us. In case there is any change in the terms and conditions or the size of the rated bank facilities, the same must be brought to our notice before the bank facility is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the bank facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings assigned.

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The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated [Instrument] availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

Yours sincerely,  
for ICRA Limited

**Sabyasachi Majumdar**  
(Senior Vice President)  
[sabyasachi@icraindia.com](mailto:sabyasachi@icraindia.com)

**Encl:** *1. Details of instruments rated*

**Annexure I: Details of BIL's Instruments rated**
**Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale):**

Instrument- Long-term fund-based facilities	Rs. Crore	Rating	Assigned on
Term Loan: HDFC Bank	29.84	[ICRA]BBB (Stable)	February 19, 2021
Term Loan: Yes Bank	6.39		
Term Loan: IndusInd Bank	50.00		
<b>Total</b>	<b>86.23</b>		

**Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale):**

Instrument	Bank	Rs. Crore	Rating	Assigned on
Non-fund based working capital facilities <sup>1</sup>	IDBI Bank/ Corporation Bank/ Kotak Mahindra Bank/State Bank of India (SBI)/ HDFC Bank/ / Indus Ind Bank/ CTBC Bank/DBS Bank/Yes Bank/Axis Bank/ SBM Bank India Limited	75.45	[ICRA]A2	February 19, 2021
Non-fund based working capital facilities: SBLC	IndusInd Bank	60.00		
Non-fund based working capital facilities: SBLC	HDFC Bank	22.00		
<b>Total</b>		<b>157.45</b>		

<sup>1</sup>Non-fund-based working capital limits include Letter of Credit/ Buyers' Credit, Bank Guarantee limits. Further, the overall non-fund-based exposure is capped at Rs 75.45 crore with Individual bank-wise exposure capped at Rs 35.25 crore for Corporation Bank, Rs 38 crore for Kotak Mahindra Bank, Rs 11.10 crore for State Bank of India, Rs 10 crore for HDFC Bank, Rs 35 crore for IndusInd Bank, Rs 25 crore for DBS Bank, Rs 10 crore for CTBC, Rs 20 crore for Yes Bank, Rs 35 crore for Axis Bank, and Rs 20 crore for SBM Bank India Limited. The exposure cap mentioned here for IndusInd Bank, DBS, CTBC, Yes Bank, Axis, Kotak Mahindra Bank and SBM are sub-limits of fund-based limits.

**Details of Bank Limits Rated by ICRA (Rated on Long-term/ Short-Term Scale):**

Instrument	Bank	Rs. Crore	Rating	Assigned on
Fund-based working capital facilities <sup>2</sup>	IDBI Bank/ Corporation Bank/ Kotak Mahindra Bank/State Bank of India (SBI)/ HDFC Bank/ / Indus Ind Bank/ CTBC Bank/DBS Bank/Yes Bank/Axis Bank/ SBM Bank India Limited	360.00	[ICRA]BBB(Stable)/ [ICRA]A2	February 19, 2021
<b>Total</b>		<b>360.00</b>		

<sup>2</sup> Fund-based working capital limits include sub-limits, Pre-shipment/Post-shipment finance in foreign currency, WCDL and cash credit facility.

Further, the overall fund-based exposure is capped at Rs 360 crore, with exposure on individual Banks capped at Rs 36 crore for Corporation Bank, Rs 38 crore for Kotak Mahindra Bank, Rs 30 crore for SBI, Rs 55.20 crore for HDFC Bank, Rs 57 crore for Indus Ind Bank, Rs 25 crore for DBS Bank, Rs 37 crore for CTBC Bank, Rs 20 crore for Yes Bank, Rs 50 crore for Axis Bank, Rs 20 crore for IDBI Bank and Rs 50 crore for SBM Bank India Limited