

February 29, 2024

BBM Estates Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term –Term Loan	110.0	110.0	[ICRA]A(CE) (Stable); withdrawn
Total	110.0	110.0	

Rating Without Explicit Credit Enhancement	[ICRA]A-
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*Instrument details are provided in Annexure-1

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and its structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The last row in the table above also captures ICRA's opinion on the rating without factoring in the explicit credit enhancement

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **BBM Estates Private Limited** as the rated facility has been fully repaid and closed as confirmed by the banker's No Dues certificate, which was shared by client, and in accordance with ICRA's policy on withdrawal.

The Key rating drivers, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Debt backed by Lease Rentals (LRD-Lease Rental Discounting Loans) Policy on Withdrawal of Credit Ratings
Parent/Group Support	Parent Company: Bommidala Enterprises Private Limited (BEPL) (rated [ICRA]A; watch with developing implications / [ICRA]A1; watch with developing implications. For arriving at BEPL's ratings, ICRA has taken a consolidated view of BEPL and Premier Tobacco Packers Private Limited (PTPPL), given the close operational, financial and management linkages between the group entities. In addition, ICRA has also consolidated the financials of BBM Estates Private Limited (BBM Estates) and BBM Travel Retail Limited (BBM Travel) given the support extended by BEPL. The assigned rating for BBM Estates Private Limited was based on an unconditional, irrevocable corporate guarantee extended by BEPL.
Consolidation/Standalone	The rating is based on the company's standalone financials

About the company

BBM Estates Private Limited is a 57% subsidiary of Bommidala Enterprises Private Limited and owns a commercial property under the name, Varalakshmi Tech Park, in Chennai's OMR with eight floors and a built-up area of 2,90,000 sq. ft. The company was acquired by the Bommidala Group from the Hyderabad-based GMR Group in FY2014 and, subsequently, renamed as BBM Estates Private Limited. It acquired an industrial property in Bengaluru in January 2022 with a total leasable area of 230,032 sq. ft., apart from vacant land of 41,400 sq. ft. leased out to four different tenants.

Key financial indicators (audited)

BBM Estate	FY2022	FY2023*
Operating income	16.7	37.6
PAT	-0.1	16.1
OPBDIT/OI	43.4%	89.5%
PAT/OI	-0.5%	42.9%
Total outside liabilities/Tangible net worth (times)	2.2	1.8
Total debt/OPBDIT (times)	19.1	4.1
Interest coverage (times)	1.9	3.3

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. crore)	Amount Outstanding as of December 31, 2023 (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				Feb 29, 2024	Nov 24, 2022	Aug 31, 2021	May 15, 2020
1 Fund based - Term Loan	Long-term	110.0	--	[ICRA]A(CE) (Stable); withdrawn	[ICRA]A(CE) (Stable)	[ICRA]A(CE) (Stable)	[ICRA]A-(CE) (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based – Term loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long-Term Fund based -Term Loan	Sep - 2019	NA	Sep - 2031	110.00	[ICRA]A(CE) (Stable); withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

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Branches



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