

December 03, 2019

## Bill Forge Private Limited: Ratings withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based/ cash credit	100.0	100.0	[ICRA]AA- & Withdrawn
Short-term Non-fund-based	80.0	80.0	[ICRA]A1+ & Withdrawn
Long-term/ short-term unallocated	6.0	6.0	[ICRA]AA- &/[ICRA]A1+ & Withdrawn
<b>Total</b>	<b>186.0</b>	<b>186.0</b>	

*\*Instrument details are provided in Annexure-1  
&-rating watch with developing implication*

### Rationale

The rating has been withdrawn following the merger of Bill Forge Private Limited with Mahindra CIE Automotive Limited (MCIE) and in accordance with ICRA's policy on withdrawal and suspension..

### Key rating drivers and their description

Not applicable.

### Liquidity position: Adequate

Not applicable.

### Rating sensitivities

Not applicable

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">ICRA Policy on Withdrawal and Suspension of Credit Rating</a>
Parent/Group Support	Parent Company: Mahindra CIE Automotive Limited The ratings are based on implicit support from parent company.
Consolidation/Standalone	The rating is based on standalone financial statements of the rated entity.

### About the company

Bill Forge Private Limited (BFPL), incorporated in 1982 by the Haridass family, is engaged in the manufacture of a range of precision forged (hot, cold and warm forgings) and machined automotive components. In September 2016, the company was acquired by Mahindra CIE Automotive Limited which is a part of CIE Automotive SA. MCIE is also an auto components supplier with presence in across multiple business lines viz. forgings, castings, stampings, magnetic products and composites.

Starting operations in 1982 with job-work process and later into manufacture of universal joint components, BFPL is currently the largest manufacturer of steering races in India with a dominant market share (~80%) with major two-wheeler manufacturers including Bajaj Auto Limited, Hero Motors Limited, TVS Motor Company Limited, Honda Motorcycles & Scooters India Limited and Yamaha Motor India Limited. BFPL exports four-wheeler components to renowned global manufacturers like General Motors and Ford and also supplies mainly to tier-1 player like NTN, American Axle and Nexteer Automation in the four-wheeler segment.

BFPL's manufacturing facilities are located at Bangalore (three units at Jigani and one unit each at Attibele and Bommasandra), Haridwar (one-unit catering to Hero MotoCorp) and Coimbatore (one unit). The company also set up a new plant in Mexico under its subsidiary, Bill Forge de Mexico, which commenced its operations during January 2017.

### Key financial indicators (audited)

Standalone	CY2017	CY2018
Operating Income (Rs. crore)	691.7	821.0
PAT (Rs. crore)	62.7	78.8
OPBDIT/OI (%)	18.8%	18.2%
RoCE (%)	25.8%	29.8%
Total Outside Liabilities/Tangible Net Worth (times)	0.5	0.6
Total Debt/OPBDIT (times)	0.3	0.4
Interest Coverage (times)	33.6	50.8
DSCR	25.2	38.0

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

**Any other information: None**

### Rating history for past three years

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2019		FY2018	FY2016
					03-Dec-2019	3-Oct-2018	27-July-2018	24-May-2017	30-Dec-2015
1	Fund-based/ cash credit	Long-term	100.0	58.3*	[ICRA]AA- & Withdrawn	[ICRA]AA- &	[ICRA]AA- (Positive)	[ICRA]AA- (Positive)	[ICRA]AA- (Stable)
2	Non-fund-based	Short-term	80.0	NA	[ICRA]A1+ & Withdrawn	[ICRA]A1+ &	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3	Unallocated	Long-term/ short-term	6.0	NA	[ICRA]AA- & / [ICRA]A1+ & Withdrawn	[ICRA]AA- & / [ICRA]A1+ &	[ICRA]AA- (Positive)/ [ICRA]A1+	[ICRA]AA- (Positive)/ [ICRA]A1+	[ICRA]AA- (Stable)/ [ICRA]A1+

Amount in Rs. crore; Note: as on June 30, 2019

### Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund-based/ CC	03-Jan-2018	9.25%	NA	100.0	[ICRA]AA- &; Withdrawn
NA	Non-fund-based	03-Jan-2018	NA	NA	80.0	[ICRA]A1+ &; Withdrawn
NA	Unallocated	NA	NA	NA	6.0	[ICRA]AA- &/[ICRA]A1+ &; Withdrawn

Source: Company

### Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
NA	NA	NA

## Analyst Contacts

### Subrata Ray

+91 22 6114 3408

[subrata@icraindia.com](mailto:subrata@icraindia.com)

### Faizan Ahmed

+91 80 4332 6414

[faizan.ahmed@icraindia.com](mailto:faizan.ahmed@icraindia.com)

### Pavethra Ponniah

+91 44 4596 4314

[pavethrap@icraindia.com](mailto:pavethrap@icraindia.com)

### Mythri Macherla

+91 80 43326 6407

[mythri.macherla@icraindia.com](mailto:mythri.macherla@icraindia.com)

## Relationship Contact

### Jayanta Chatterjee

+91 80 4332 6401

[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

### Ms. Naznin Prodhani

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited

### Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: [info@icraindia.com](mailto:info@icraindia.com)

Website: [www.icra.in](http://www.icra.in)

### Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

### Branches

Mumbai + (91 22) 24331046/53/62/74/86/87  
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,  
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,  
Bangalore + (91 80) 2559 7401/4049  
Ahmedabad+ (91 79) 2658 4924/5049/2008  
Hyderabad + (91 40) 2373 5061/7251  
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents