

Bhilai Engineering Corporation Limited

June 20, 2022

Ratings

Facilities / Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	102.90	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	541.96	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Facilities	644.86 (₹ Six Hundred Forty-Four Crore and Eighty-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 05, 2021, placed the rating(s) of Bhilai Engineering Corporation Limited (BECL) under the 'issuer non-cooperating' category as BECL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. BECL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 19, 2022, March 01, 2022, March 11, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [April 05, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

Bhilai Engineering Corporation Limited (BECL) is a public limited company which was setup in 1960. Mr. A.K. Jain is the Chairman and Mr. Veenu Jain is the Managing Director of BECL. The company is into the manufacturing of specialized equipment's and products for heavy engineering industries. It is also into manufacturing of fertilisers and food products. The company has its shares listed on BSE however, they stand suspended due to penal reason since 01 October, 2002. The company has issued a notice dated October 15, 2020 seeking approval from public shareholders through a postal ballot for voluntary delisting from the BSE platform.

Brief Financials (₹ crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)
Total operating income	649.15	649.25	NA
PBILDT	-7.70	87.07	NA
PAT	-42.68	-9.66	NA
Overall gearing (times)	0.51	0.55	NA
Interest coverage (times)	1.63	2.17	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE publications

*Issuer did not cooperate; Based on best available information

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Please refer Annexure 3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	102.90	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	422.31	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Letter of credit		-	-	-	119.65	CARE D / CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	102.90	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-21)	1)CARE D (06-Jan-21)	1)CARE B; Stable (30-Mar-20)
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST*	422.31	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (05-Apr-21)	1)CARE D / CARE D (06-Jan-21)	1)CARE B; Stable / CARE A4 (30-Mar-20)
3	Non-fund-based - LT/ ST-Letter of credit	LT/ST*	119.65	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (05-Apr-21)	1)CARE D / CARE D (06-Jan-21)	1)CARE B; Stable / CARE A4 (30-Mar-20)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple
3	Non-fund-based - LT/ ST-Letter of credit	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. This classification is available at www.careedge.in. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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