

## Bhilai Engineering Works

September 11, 2024

| Facilities/Instruments     | Amount (₹ crore) | Rating <sup>1</sup>                      | Rating Action                                                    |
|----------------------------|------------------|------------------------------------------|------------------------------------------------------------------|
| Long Term Bank Facilities  | 4.35             | CARE B-; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 1.55             | CARE A4; ISSUER NOT COOPERATING*         | Rating continues to remain under ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated July 25, 2023, placed the rating(s) of Bhilai Engineering Works (BEW) under the 'issuer non-cooperating' category as BEW had failed to provide information for monitoring of the rating. BEW continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 09, 2024, June 19, 2024, June 29, 2024.

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).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [July 25, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the firm

BEW was established as a partnership entity in 1968 by Mr. Gurucharan Khurana. The entity undertakes fabrication, casting and forging for capital equipment required by steel plants. The entity has its facility at Bhilai. Mr. Gurucharan Khurana and his sons Mr. Arvinder Khurana and Mr. Jeetinder Khurana oversee the day-to-day operations of the entity.

**Status of non-cooperation with previous CRA:** CRISIL has continued the rating assigned to the bank facilities of BEW into ISSUER NOT COOPERATING category vide press release dated June 13, 2024 on account of its inability to carry out a review in the absence of requisite information from the firm.

**Any other information:** Not applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

**Annexure-1: Details of instruments/facilities**

| Name of the Instrument               | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook       |
|--------------------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|------------------------------------------|
| Fund-based - LT-Cash Credit          |      | -                             | -               | -                          | 4.35                        | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee   |      | -                             | -               | -                          | 1.15                        | CARE A4; ISSUER NOT COOPERATING*         |
| Non-fund-based - ST-Letter of credit |      | -                             | -               | -                          | 0.40                        | CARE A4; ISSUER NOT COOPERATING*         |

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for 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 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024            | Date(s) and Rating(s) assigned in 2022-2023            | Date(s) and Rating(s) assigned in 2021-2022            |
| 1       | Fund-based - LT-Cash Credit            | LT              | 4.35                         | CARE B-; Stable; ISSUER NOT COOPERATING* | -                                           | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (25-Jul-23) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (08-Jul-22) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-May-21) |
| 2       | Non-fund-based - ST-Bank Guarantee     | ST              | 1.15                         | CARE A4; ISSUER NOT COOPERATING*         | -                                           | 1)CARE A4; ISSUER NOT COOPERATING* (25-Jul-23)         | 1)CARE A4; ISSUER NOT COOPERATING* (08-Jul-22)         | 1)CARE A4; ISSUER NOT COOPERATING* (17-May-21)         |
| 3       | Non-fund-based - ST-Letter of credit   | ST              | 0.40                         | CARE A4; ISSUER NOT COOPERATING*         | -                                           | 1)CARE A4; ISSUER NOT COOPERATING* (25-Jul-23)         | 1)CARE A4; ISSUER NOT COOPERATING* (08-Jul-22)         | 1)CARE A4; ISSUER NOT COOPERATING* (17-May-21)         |

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term;

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

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

**Annexure-5: Lender details**

|                                                                                      |
|--------------------------------------------------------------------------------------|
| To view the lender wise details of bank facilities please <a href="#">click here</a> |
|--------------------------------------------------------------------------------------|

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

### Contact us

|                                                                                                                                                                                                                     |                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Media Contact</b><br><br>Mradul Mishra<br>Director<br><b>CARE Ratings Limited</b><br>Phone: +91-22-6754 3596<br>E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a>                 | <b>Analytical Contacts</b><br><br>Shachee Nakul Vyas<br>Assistant Director<br><b>CARE Ratings Limited</b><br>Phone: 079-40265665<br>E-mail: <a href="mailto:shachee.tripathi@careedge.in">shachee.tripathi@careedge.in</a> |
| <b>Relationship Contact</b><br><br>Ankur Sachdeva<br>Senior Director<br><b>CARE Ratings Limited</b><br>Phone: 91 22 6754 3444<br>E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a> | Foram Dhruv Joshi<br>Lead Analyst<br><b>CARE Ratings Limited</b><br>Phone: 079-40265687<br>E-mail: <a href="mailto:foram.dave@careedge.in">foram.dave@careedge.in</a>                                                      |
|                                                                                                                                                                                                                     | Bhumika Baridun<br>Associate Analyst<br><b>CARE Ratings Limited</b><br>E-mail: <a href="mailto:Bhumika.baridun@careedge.in">Bhumika.baridun@careedge.in</a>                                                                |

### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**