

Bec Fertilizers Limited

October 25, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	63.70	CARE D; ISSUER NOT COOPERATING*	Rating moved to 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. has been seeking information from Bec Fertilizers Limited to monitor the rating(s) vide e-mail communications/letters dated May 23, 2024, June 20, 2024 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. 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. The rating on Bec Fertilizers Limited's bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING***.

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

The ratings take into account, ongoing delays in debt servicing, as informed by the banker.

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers

At the time of last rating on September 05, 2023, the following were the rating strengths and weaknesses (updated for the information available from Registrar of Companies and banker feedback)

Key weaknesses

Delays in debt servicing

The account has delays in the repayment of its term loan principle since March 2017 and interest since December 2017. Further, the cash credit account principle is overdrawn since March 29, 2017 and interest is overdrawn since March 31, 2022. The company has been classified as NPA on June 30, 2017. All these delays are ongoing as on date. Further, as per banker interaction, the assets of the company have been sold through auction by the bank under SARFAESI Act and the company is not in operation now.

Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Policy on default recognition](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Financial ratios - Non-Financial Sector](#)

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

[Manufacturing Companies](#)

[Fertilizer](#)

About the company and industry

Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Commodities	Chemicals	Fertilizers & Agrochemicals	Pesticides & Agrochemicals

BEC Fertilizers Limited (BFL) was incorporated in 2013 by Mr. Veenu Jain, Mr. Viren Jain and Mr. Arjun Jain. The company is part of BEC group (with flagship company Bhilai Engineering Corporation Limited – rated ACUTE D) which has its presence across diversified business viz. engineering [manufacturing of high precision equipment's catering mainly to railways, power, defense and metals & minerals industry], fertilizers, agro chemicals and food products. BFL is into manufacturing of Single

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

*Issuer did not cooperate; Based on best available information

Super Phosphate (SSP, phosphatic fertilizer) as well as is into conversion to value-added Granulated SSP. The company has plants located at Bharuch in Gujarat, Pulgaon in Maharashtra and Bilaspur in Chhattisgarh.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	69.29	84.37	0.25
PBILDT	0.67	2.61	-4.48
PAT	-8.97	-0.21	-5.62
Overall gearing (times)	-1.89	-0.70	-0.64
Interest coverage (times)	1.13	57.59	-30.27

A: Audited; Note: 'the above results are latest financial results available'.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors of CARE: Not applicable

Disclosure of Interest of Managing Director & CEO: Not applicable

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

Covenants of the rated instruments/facilities: Not Applicable

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

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-Term Loan	-	-	-	August 2022	63.70	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 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-Term Loan	LT	63.70	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D (05-Sep-23) 2)CARE D; ISSUER NOT COOPERATING * (22-Jun-23)	1)CARE D; ISSUER NOT COOPERATING * (08-Jun-22)	-

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

LT: Long term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

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

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About us:

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Disclaimer:

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