

B D Security Limited

December 08, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	24.78	CARE BB; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	3.22	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE BB+; Stable / CARE A4+ and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.00	CARE A4; ISSUER NOT COOPERATING*	Downgraded from CARE A4+ and 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 has been seeking information from B D Security Limited (BDSL) to monitor the rating(s) vide email communications dated November 17, 2025, November 12, 2025, November 03, 2025, etc., among others and numerous phone calls. However, despite our repeated requests, BDSL has not provided requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings has reviewed the ratings based on best available information which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating. The rating on bank facilities of BDSL will now be denoted as 'CARE BB; Stable; 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 revision in ratings assigned is on account of non-availability of requisite information for continuous monitoring of the ratings, due to non-cooperation by BDSL with CARE Ratings, to provide the requisite information for monitoring the ratings. CARE Ratings views information availability risk as a key factor in its assessment of credit risk. Further, the ratings continue to remain constrained on account of modest albeit improving scale of operations, elongated operating cycle leading to high dependence upon the working capital limits, and moderation in financial risk profile. The rating further considers regulated nature of private security industry leading to moderate profitability margins and exposure to intense competition. The rating, however, derives strength from company's association with reputed clientele reflecting lower counter party risk and experienced promoters in the industry.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes that the entity shall benefit from experience of its promoters in security business along with association with reputed clientele.

Detailed description of key rating drivers: At the time of last rating on November 14, 2024, following were the rating weaknesses and strengths.

Key weaknesses

Modest albeit improving scale of operations

The scale of operations of the company improved from Rs 84.46 crores in FY23 (refers to period from April 01, 2022, to March 31,2023) to Rs 118.61 crores in FY24 (refers to period from April 01, 2023, to March 31,2024) marking a y-o-y growth of ~40% on account of more orders from existing customers and addition of new customers. Nevertheless, the scale remains modest, it limits the company's financial flexibility in times of stress. Though, the risk is partially mitigated by the fact that the scale of operation is growing continuously on the back of addition of new clients. During H1FY25 (refers to the period from April 1, 2024, to September 30, 2024; based on provisional results), the company has booked revenue of Rs. 56 crore and is expected to clock revenue of Rs 130 crores in FY25 based on current order book. The profitability of the company has improved as marked by PBIDTA margin of 12.45% in FY24 against previous year margin of 7.33%. The improvement is on account of economies of scale and shift in focus towards telecom business which is more profit accretive than security business. The PAT margin improved in tandem with PBIDTA margin from 4.01% in FY23 to 6.62% in FY24.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Elongated operating cycle

The operations of the company are working capital intensive in nature marked by elongated operating cycle of 83 days in FY24 (PY: 71 days) on account of high receivable days. The company has to offer liberal credit period to its customers as majority of them are large sized players which possess high bargaining power as compared to other clients of BDSL resulting in an average collection period of 72 days for FY24. Moreover, the company needs to extend ~5-10% of the contract value towards retention money held as security deposits with the customers. The company has inventory days of 21 days and creditor days of 9 days for FY24 on account of its telecom business.

Moderation in financial risk profile

As on March 31,2024 the debt profile of the company comprises of working capital borrowings of Rs 39.49 crores, term loan of Rs 10.05 crores, vehicle loans of Rs 0.37 crores and unsecured loans of Rs 8.13 crores. The overdraft limit from Jammu and Kashmir was utilized to the turn of Rs 18.95 crores on balance sheet date. The facility was proposed to be taken over by HDFC Bank and demand draft of equivalent amount was issued in favour of the company. Hence on balance sheet date the working capital utilization stood high at Rs 39.49 crores. Further, to support the growing scale the company also availed business loans from various banks and NBFCs and unsecured loans were also infused by promoters. The increase in external borrowings resulted in moderation of capital structure as marked by overall gearing from 2.51x as on March 31,2023 to 3.43x as on March 31,2024. The debt coverage indicators as marked by interest coverage ratio improved from 3.01x in FY23 to 4.36x in FY24 owing to improvement in profitability. The total debt to GCA remained at similar level of 6.72x for FY24. (PY:6.59x)

Regulated nature of private security industry

The private security industry is a labour-intensive industry. Parliament of India has passed Private Security Agencies (Regulation) Act, 2005 to safeguard the interests of private security guards. The Act provides guidelines for the regulation of the industry. The act lays down guidelines for licensing and training norms of the security guards. The Act also incorporated provisions related to workers' wages, working hours, and leave. Wage-related compliance parameters include the minimum wage, overtime, house rent allowances, provident fund, gratuity, bonus, insurance – Life insurance and health insurance. Working hours and leave related compliance parameter includes working hours, leave – annual, and weekly leave and others, hours of training. The government regulations are necessary since the industry is considered predominantly an unorganized sector with 60 per cent of security service providers still operate as unorganized players. Only 10 per cent of work force of private security industry is absorbed by organized sector. In order to prevent exploitative tendency of private industry players vis-à-vis low wages and unfriendly employment practices

Exposure to intense competition in security business

The manned security guarding services industry has large number of unorganized players and a few organized players leading to intense competition. Unorganized players have regional presence and offer services at low cost resulting in pricing pressure for organized players which have higher overheads to maintain quality. Further, some of the organized players have global presence and have a strong market position and brand name. Moreover, the industry has high employee attrition rate due to the presence of large number of unorganized players. Any issues with regards to availability of workforce may constrain the relationship with the client and impact revenue and profitability.

Key strengths**Association with reputed clientele albeit moderate order book position**

BDSL provides end-to-end security services solutions to various enterprises. The company's headquarter is in Jammu and it operates 12 branches spread all over Northern India. It has a reputed and diversified client portfolio across different industries/sectors including Banking and Finance, Petrochemicals, Telecommunications, Retail, Hospitality etc. Some of the clients of the company are Jammu and Kashmir Bank Limited (CARE AA-; Stable), Berger paints India Limited (CARE A1+), Platinum Automobiles Private Limited, Bharti Airtel Limited. The company derives 43% of its revenue from private security business and 57% of its revenue is derived from telecom business under which it gets service contracts to maintain fibre cables (both FTH i.e. Fiber-to-home and LDL i.e Long-distance-line services.). Major clientele for telecom business includes Reliance Industries Limited, Tower Vision India P Ltd., Bharti Airtel Limited. The customer base is diverse with top 5 customers accounting for ~30% of total operating income. Further, the current order book in hand as on October 15, 2024, is Rs 65.47 crores which is to be executed during current financial year (FY25) providing revenue visibility in near terms.

Experienced Promoters

BDSL is promoted by Mr. Sahil Gupta, an MBA by qualification. He oversees the company's strategic direction and operations. He has nearly two decades of experience in the private security industry. He is supported by his mother Mrs. Suman Gupta having decade long experience in the private security industry. Further, directors are assisted by a team of qualified professionals who have substantial experience in the manned security guarding industry and also in telecom industry.

Applicable criteria

- [Definition of Default](#)
- [Information Adequacy Risk and Issuer Non-Cooperation](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios – Non financial Sector](#)
- [Service Sector Companies](#)
- [Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Diversified Commercial Services

B D Security Private Limited was incorporated in 2006 by Mr. Sahil Gupta as a private limited company. The constitution was changed to public limited company during FY24 and named as B D Security Limited (BDSL). The company is engaged in providing manned security guard services with client portfolio across various sectors such as telecom, automobile, petrochemicals, banking etc. Some of the clients of the company are Jammu and Kashmir Bank Limited (CARE AA-; Stable), Berger paints India Limited (CARE A1+), Platinum Automobiles Private Limited, Bharti Airtel Limited etc. The company has a workforce of over 5000 manpower personnel and is licensed to operate in two states under PSARA act (Private Security Agency Regulation Act). BDSL's portfolio of services also includes app-based checking and monitoring, surprise check on deployed staff., on the job training and 24x7 control room. The company generate revenue through two segments, 40% revenue of the company is through security solution and 60% of revenue is through telecom business under which it gets service contracts to maintain fibre cables (both Fiber-to-home (FTH) and Long-distance-line services (LDL)). Major clientele for telecom business includes Reliance Industries Limited, Tower Vision India P Ltd., Bharti Airtel Limited. Headquarters of company is located in Jammu, and it operates all over India through 4 branch offices. The company is accredited with ISO 9001:2015 certification.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	H1FY25 (UA)
Total operating income	84.46	118.61	56.00
PBILDT	6.19	14.77	NA
PAT	3.38	7.86	4.00
Overall gearing (times)	2.51	3.43	1.51
Interest coverage (times)	3.01	4.36	NA

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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-Cash Credit		-	-	-	18.95	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31/03/2025	5.83	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	3.22	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.00	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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	5.83	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (14-Nov-24)	1)CARE BB+; Stable (28-Aug-23)	1)CARE BB+; Stable (26-Sep-22)
2	Fund-based - LT-Cash Credit	LT	18.95	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable (14-Nov-24)	1)CARE BB+; Stable (28-Aug-23)	1)CARE BB+; Stable (26-Sep-22)
3	Non-fund-based - ST-Bank Guarantee	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+ (14-Nov-24)	1)CARE A4+ (28-Aug-23)	1)CARE A4+ (26-Sep-22)
4	Fund-based/Non-fund-based-LT/ST	LT/ST	3.22	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable / CARE A4+ (14-Nov-24)	1)CARE BB+; Stable / CARE A4+ (28-Aug-23)	1)CARE BB+; Stable / CARE A4+ (26-Sep-22)

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

LT: Long term; ST: Short term; LT/ST: Long term/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	Fund-based - LT-Term Loan	Simple
3	Fund-based/Non-fund-based-LT/ST	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge 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

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