

Bhandari Foils & Tubes Limited

May 23, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	90.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	103.26	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	193.26 (Rs. One Hundred Ninety-Three Crore and Twenty-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 19, 2021, placed the rating(s) of Bhandari Foils & Tubes Limited (BFTL) under the 'issuer non-cooperating' category as BFTL 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. BFTL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 02, 2022, February 12, 2022, February 22, 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 [March 19, 2021](#)

Analytical approach: Standalone, along with factoring in the corporate guarantee extended by the company. BFTL has extended unconditional and irrevocable corporate guarantee for the bank facilities of Rs.49.50 crore availed by Resurgent Power Projects Ltd. (RSPL; erstwhile Enmas GB Power Systems Project Ltd.).

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

Incorporated in 1993, BFTL (CIN: U74110TN1993PLC024327) is promoted by the Bhandari group based out of Chennai. BFTL is engaged into the business of manufacturing stainless steel (SS) welded tubes and pipes, bright annealing tubes, cold rolled SS coils, strips and foils and pipe fittings. BFTL's manufacturing unit is located at Dewas, Madhya Pradesh and had an installed capacity for manufacturing of 15,000 metric tons per annum (MTPA) of SS tubes, strips, section/components and bright annealing tubes along with 8,000 MTPA for cold-rolled SS (CRSS) coils, strips and foils as on March 31, 2020.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22 (Prov.)
Total operating income	254.71	NA	NA
PBILDT	-10.98	NA	NA
PAT	-35.38	NA	NA
Overall gearing (times)	3.69	NA	NA
Interest coverage (times)	-0.51	NA	NA

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

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

Status of non-cooperation with previous CRA: CRISIL has suspended the ratings assigned to the bank facilities of BFTL vide press release dated November 27, 2012 on account of non-availability of requisite information from the company.

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure-3

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	90.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	99.80	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Credit Exposure Limit		-	-	-	3.46	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	90.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (19-Mar-21)	1)CARE D (21-Jan-20)
2	Non-fund-based - ST-Letter of credit	ST	99.80	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (19-Mar-21)	1)CARE D (21-Jan-20)
3	Non-fund-based - ST-Credit Exposure Limit	ST	3.46	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (19-Mar-21)	1)CARE D (21-Jan-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 - ST-Credit Exposure Limit	Simple
3	Non-fund-based - 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. 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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Disclaimer

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