

BMW Industries Limited

July 26, 2018

Rating

| Facilities | Amount (Rs. crore) | Rating ¹ | Rating Action |
|----------------------------|--------------------|---------------------|------------------|
| Long term Bank Facilities | - | - | Withdrawn |
| Short term Bank Facilities | - | - | Withdrawn |

Details of facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BBB+; Issuer not cooperating/CARE A2; Issuer not cooperating' [Triple B Plus; Issuer not cooperating /A Two; Issuer not cooperating] assigned to the bank facilities of BMW Industries Limited (BMWIL) aggregating Rs.270.8 crore with immediate effect. The above action has been taken at the request of BMWIL and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE.

CARE has withdrawn the rating(s) assigned to the Bank facilities of BMWIL aggregating to Rs.279.2 crore with immediate effect, as the company has surrendered/repaid the aforementioned bank facilities rated by us in full and there is no amount outstanding under the facility as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the company

BMW Industries Limited (BMWIL), incorporated in October 1981 as Bansal Mechanical Works Pvt Ltd, is promoted by Mr. Ram Gopal Bansal of Kolkata. The name of the company was changed to Bansal Mechanical Works Ltd in 1984, which was subsequently rechristened to its present name in 1999. Initially, the company was engaged in manufacturing Mild Steel (M.S.) tubes and pipes. Over the years, BMW diversified its product portfolio into both long and flat steel products by organic route.

In last two decades the company has established strong relationship with TATA Steel Ltd (TSL, rated CARE AA; Stable) by virtue of setting up plants to cater to the various steel related services required by TSL. It is converting HR coil to galvanized coil, billets to TMT bars and also provides services like slitting, shearing, levelling, pickling and scrap handling.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also

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recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Cash Credit | - | - | - | 0.00 | Withdrawn |
| Non-fund-based - ST-BG/LC | - | - | - | 0.00 | Withdrawn |
| Fund-based - LT-Term Loan | - | - | - | 0.00 | Withdrawn |

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 2018-2019 | Date(s) & Rating(s) assigned in 2017-2018 | Date(s) & Rating(s) assigned in 2016-2017 | Date(s) & Rating(s) assigned in 2015-2016 |
| 1. | Fund-based - LT-Cash Credit | LT | - | Withdrawn | - | - | 1)CARE BBB+; ISSUER NOT COOPERATING* (03-Mar-17) | 1)CARE BBB+ (15-Dec-15) |
| 2. | Non-fund-based - ST-BG/LC | ST | - | Withdrawn | - | - | 1)CARE A2; ISSUER NOT COOPERATING* (03-Mar-17) | 1)CARE A2 (15-Dec-15) |
| 3. | Fund-based - LT-Term Loan | LT | - | Withdrawn | - | - | 1)CARE BBB+; ISSUER NOT COOPERATING* (03-Mar-17) | 1)CARE BBB+ (15-Dec-15) |

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