

BS Limited

July 12, 2017

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	669.18	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	ISSUER NOT COOPERATING; Revised from CARE B (Single B) on the basis of best available information
Short-term Bank Facilities	404.37	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	ISSUER NOT COOPERATING; Revised from CARE A4 (A Four) on the basis of best available information
Long-term/Short-term Bank Facilities	746.58	CARE D/CARE D; ISSUER NOT COOPERATING* (Single D/Single D; ISSUER NOT COOPERATING*)	ISSUER NOT COOPERATING; Revised from CARE B/CARE A4 (Single B/A Four) on the basis of best available information
Total	1,820.13 (Rupees One Thousand Eight Hundred Twenty crore and Thirteen lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking information from BS Limited to monitor the rating(s) vide e-mail communications/letters dated June 20, 2016, July 14, 2016, July 19, 2016, August 30, 2016, September 28, 2016, July 07, 2017 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 has reviewed the rating on the basis of the publicly available information which; however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings on BS Ltd.'s bank facilities will now be denoted as **CARE D/CARE D; ISSUER NOT COOPERATING***.

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

The ratings have been revised on account of delays with respect to debt servicing.

Detailed description of the key rating drivers**Key Rating Weaknesses**

Delays with respect to debt servicing on account of significant decline in total operating income with cash losses for FY17: The company has been facing stretched liquidity position on account of significant decline in the total operating income with cash losses during FY17 (refers to the period April 1 to March 31). This has led to delays in debt servicing, instances of overdrawals with respect to the cash credit account and also instances of LC devolvement.

Analytical approach:

Standalone

Applicable Criteria

[Policy in respect of Non-Cooperation by issuer](#)
[CARE's Policy on Default Recognition](#)

About the Company

B S Limited (BSL) was incorporated in January 2004 as a private limited company under the name of BS Steels and Minerals Private Limited. On March 31, 2004, the company took over BS Steels, a proprietary concern (promoted by the same group) engaged in trading of iron, steel and related products. Subsequently, BSL entered into tower manufacturing (fabrication and galvanizing). In FY08, BSL diversified in to engaging in civil works, tower erection and maintenance of cell

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

sites i.e. undertaking complete range of activities in tower erection. The company through an Initial Public Offering of 7.6 million equity shares on October 27, 2010, listed on the NSE and BSE and raised Rs.190 crore to fund expansion plans.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	2408.84	695.70
PBILDT	329.18	-271.52
PAT	59.37	-408.15
Overall gearing (times)	1.06	6.75
Interest coverage (times)	1.91	NM

*NM – Not Meaningful

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 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	-	-	-	390.00	CARE D; ISSUER NOT COOPERATING*

Fund-based - LT-Term Loan	-	-	May 2019	279.18	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantees	-	-	-	746.58	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	404.37	CARE D; ISSUER NOT COOPERATING*

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 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT-Cash Credit	LT	390.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (28-Mar-17)	1)CARE BBB+ (16-Sep-15) 2)CARE BBB+ (25-Aug-15)	1)CARE BBB (21-Aug-14)
2.	Fund-based - LT-Term Loan	LT	279.18	CARE D; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (28-Mar-17)	1)CARE BBB+ (16-Sep-15) 2)CARE BBB+ (25-Aug-15)	1)CARE BBB (21-Aug-14)
3.	Non-fund-based - LT/ ST-Bank Guarantees	LT/ST	746.58	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE B / CARE A4; ISSUER NOT COOPERATING* (28-Mar-17)	1)CARE BBB+ / CARE A2 (16-Sep-15) 2)CARE BBB+ / CARE A2 (25-Aug-15)	1)CARE BBB / CARE A3+ (21-Aug-14)
4.	Non-fund-based - ST-Letter of credit	ST	404.37	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Mar-17)	1)CARE A2 (16-Sep-15) 2)CARE A2 (25-Aug-15)	1)CARE A3+ (21-Aug-14)

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