

Press Release

BS Mining Corporation Private Limited

August 26, 2021

Rating Downgraded



Total Bank Facilities Rated*	Rs. 25.00 Cr*
Long Term Rating	ACUITE C; Issuer not co-operating* (Downgraded from ACUITE BB/Stable)
Short Term Rating	ACUITE A4; Issuer not co-operating* (Downgraded from ACUITE A4+)

* Refer Annexure for details

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB**' (read as **ACUITE double B**) and the short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A4 plus**) on the Rs. 25.00 Cr bank facilities of BS Mining Corporation Private Limited (BSMCPL). The rating is on account of the best available information.

Rationale for rating downgrade

The rating downgrade reflects instances of delay in servicing of debt by BSCPL for over 20 days for three months since June 2021 as per feedback received from one of its lenders. The dues for August 2021 for the same account are yet to be serviced by the entity.

It may be noted that BSCPL had furnished no default statements (NDS) for the month of July 2021 confirming regular debt servicing, which clearly was a misrepresentation of facts given the latest feedback received from one of its lenders.

About the Company

Odisha based BS Mining Corporation Private Limited (BSMCPL) was established in the year of 1994 as proprietorship firm which was later incorporated as a private limited company in the year of 2008. BSMCPL is promoted by Mr. Sarat Chandra Nayak and Mrs. Parbati Nayak. The company is engaged in undertaking contracts for mining/extraction of iron ore & manganese, civil construction work and providing transportation services.

Non-cooperation by the issuer/ borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Entities in Manufacturing Sector– <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use

of such information, on which the indicative credit rating is based.

Liquidity Indicators- "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any other information

None

Rating History (Up to last three years)

Date	Name of the instrument/ facilities	Term	Amount (Rs. Cr.)	Ratings/ Outlook
September 07, 2020	Cash Credit	Long Term	16.30	ACUITE BB/ Stable (Reaffirmed)
	Proposed Term Loan	Long Term	3.60	ACUITE BB/ Stable (Reaffirmed)
	CCECL	Long Term	1.60	ACUITE BB/ Stable (Assigned)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Reaffirmed)
May 05, 2020	Cash Credit	Long Term	14.30	ACUITE BB (Indicative)
	Proposed Term Loan	Long Term	2.00	ACUITE BB (Indicative)
	Bank Guarantee	Short Term	0.50	ACUITE A4+ (Indicative)
	Proposed Bank Guarantee	Short Term	1.00	ACUITE A4+ (Indicative)
February 14, 2019	Cash Credit	Long Term	14.30	ACUITE BB/ Stable (Reaffirmed)
	Proposed Term Loan	Long Term	2.00	ACUITE BB/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.50	ACUITE A4+ (Reaffirmed)

	Proposed Bank Guarantee	Short Term	1.00	ACUITE A4+ (Assigned)
March 12, 2018	Cash Credit	Long Term	14.30	ACUITE BB/ Stable (Reaffirmed)
	Proposed Term Loan	Long Term	2.00	ACUITE BB/ Stable (Assigned)
	Bank Guarantee	Short Term	0.50	ACUITE A4+ (Reaffirmed)
March 03, 2017	Cash Credit	Long-term	14.30	ACUITE BB/ Stable (Assigned)
	Bank Guarantee	Short-term	0.50	ACUITE A3+ (Assigned)

***Annexure – Details of instruments rated**

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/ Outlook
State Bank of India	Cash Credit	Not applicable	Not applicable	Not applicable	16.30	ACUITE C Downgraded; Issuer not co-operating*
Not Applicable	Proposed Term Loan	Not applicable	Not applicable	Not applicable	3.60	ACUITE C Downgraded; Issuer not co-operating*
State Bank of India	CCECL	Not applicable	Not applicable	Not applicable	1.60	ACUITE C Downgraded; Issuer not co-operating*
State Bank of India	Bank Guarantee	Not applicable	Not applicable	Not applicable	3.50	ACUITE A4 Downgraded; Issuer not co-operating*

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,383 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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