

Press Release

B L Kashyap and Sons Limited (BLKSL)

August 31, 2018

Rating Reaffirmed



Total Bank Facilities Rated*	Rs. 956.77 Cr.
Long Term Rating	ACUITE D

* Refer Annexure for details

Rating Rationale

ACUITE has reaffirmed the long term rating of '**ACUITE D' (read as ACUITE D)** and short term rating of '**ACUITE D' (read as ACUITE D)** on the Rs. 956.77 cr. bank facilities of B L Kashyap and Sons Limited (BLKSL)).

BL Kashyap & Sons Limited, established in 1989 by Mr. Vinod Kashyap is engaged in the construction of commercial, residential and industrial buildings.

Key Rating Drivers

Strengths

- **Experience promoters**

BLK is led by Mr. Vinod Kashyap, Mr. Vineet Kashyap and Mr. Vikaram Kashyap who possess extensive experience in the said line of business.

Weaknesses

- **Delay in servicing of debt obligation**

The rating reflects delays in servicing of debt obligations. The company is currently under Corporate Debt Restructuring (CDR) and has been classified as a Special Mention Account (SMA) by the bankers.

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of the BLKSL to arrive at this rating.

About the Rated Entity - Key Financials

	Unit	FY18 (Prov)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	936.68	889.50	841.69
EBITDA	Rs. Cr.	97.00	85.77	68.05
PAT	Rs. Cr.	49.00	6.80	0.96
EBITDA Margin	(%)	10.36	9.64	8.08
PAT Margin	(%)	5.23	0.76	0.11
ROCE	(%)	14.79	9.09	7.78
Total Debt/Tangible Net Worth	Times	0.65	1.40	1.45
PBDIT/Interest	Times	2.15	1.42	1.27
Total Debt/PBDIT	Times	2.39	5.74	6.60
Gross Current Assets (Days)	Days	538	539	598

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

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
21-Jun-17	Cash credit	Long term	297.54	ACUITE D (Assigned)
	Working capital term loan	Long term	59.28	ACUITE D (Assigned)
	Funded Interest term loan	Long term	40.80	ACUITE D (Assigned)
	Corporate term loan	Long term	22.01	ACUITE D (Assigned)
	Working capital demand loan	Long term	26.03	ACUITE D (Assigned)
	Term loan	Long term	108.23	ACUITE D (Assigned)
	Bank guarantee	Short term	402.88	ACUITE D (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash credit	Not Applicable	Not Applicable	Not Applicable	297.54	ACUITE D (Reaffirmed)
Working capital term loan	Not Applicable	Not Applicable	Not Applicable	59.28	ACUITE D (Reaffirmed)
Funded Interest term loan	Not Applicable	Not Applicable	Not Applicable	40.80	ACUITE D (Reaffirmed)
Corporate term loan	Not Applicable	Not Applicable	Not Applicable	22.01	ACUITE D (Reaffirmed)
Working capital demand loan	Not Applicable	Not Applicable	Not Applicable	26.03	ACUITE D (Reaffirmed)
Term loan	Not Applicable	Not Applicable	Not Applicable	108.23	ACUITE D (Reaffirmed)
Bank guarantee	Not Applicable	Not Applicable	Not Applicable	402.88	ACUITE D (Reaffirmed)

Contacts

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About Acuite Ratings & Research:

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