

Press Release

B L Kashyap and Sons Limited

March 03, 2022

Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	402.88	-	ACUITE D Reaffirmed
Bank Loan Ratings	426.63	ACUITE D Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	829.51	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

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. 829.51 crore bank facilities of B L Kashyap & Sons Limited (BLKSL).

About the Company

Incorporated in 1989 as B.L. Kashyap & Sons Private Limited and later reconstituted as a public limited company in 1995, B.L. Kashyap & Sons Limited is promoted by Mr. Vinod Kashyap, Mr. Vineet Kashyap and Mr. Vikram Kashyap. It is based out of Delhi. It is engaged in the EPC of commercial complexes, residential, industrial and institutional developments operating both private as well as public sector. BLKSL has a geographical presence in 12 cities and 8 states across India.

Analytical Approach

Acuite has considered the standalone view of business and financial risk profiles of B L Kashyap & Sons Limited to arrive at this rating.

Key Rating Drivers

Strengths

Experienced management

BLKSL is promoted by Mr. Vinod Kashyap, Mr. Vineet Kashyap and Mr. Vikram Kashyap, who have an experience of more than four decades in the aforementioned industry. The senior management team is ably supported by second line of management. The company has well-diversified product portfolio spread by various industries such as commercial spaces, hotels, manufacturing and healthcare, to name a few. Owing to the above-mentioned factors, BLKSL has achieved a revenue of Rs. 748.97 crores in FY 2021. Acuite believes that BLKSL will continue to benefit from its established track record of operations, extensive experience of the promoters and diversified product portfolio of the company.

Reputed Clientele

The company has reputed clientele and has worked with business ventures such as DLF, Embassy, Hero, ITC, Maruti, Raheja, Tech Mahindra, Salarpuria among others and international blue chip organizations like Microsoft, IBM, Adobe, and Blackstone. The company has executed projects like AllMS Patna & Raipur, DMRC Delhi as well as Jaipur and is currently executing projects like Gomti Nagar Station, Sabarmati Bullet Train Station and Chennai Metro, among others in the government sector. On the other hand, BLKSL is executing projects like Select City Walk Delhi, Oberoi Gurgaon & Shimla, Phoenix Market City Bangalore, Manyata Tech Park & ETV Bangalore, Raheja Mind Space Hyderabad, among others.

Weaknesses

Delays in servicing the debt obligations

The rating reflects delays in servicing of debt obligations. The company had previously reduced a significant level of debt and the Corporate Debt Restructuring (CDR) package has been terminated in September 2019. The company has been classified as Special Mention Account (SMA) by the several bankers.

Rating Sensitivities

- Significant reduction in the debt levels.
- Repayment of Obligations going forward.

Material covenants

None.

Liquidity Position: Stretched

The company has stretched liquidity profile marked by low net cash accruals to its maturing debt obligations. The company generated cash accruals of Rs. 11.53 crore for FY 2021, while its maturing debt obligations are around Rs. 71.76 crore for the same period. BLKSL's working capital operations are intensive marked by gross current asset (GCA) of 666 days for FY 2021. The company maintains unencumbered cash and bank balances of Rs. 17.68 crore as on 31 March, 2021. The current ratio stood at 1.46 times as on 31 March, 2021. Acuité believes that the liquidity of the company is likely to remain weak over the medium term on account of low cash accruals against debt repayments over the medium term.

Outlook: Stable

Not Applicable.

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	748.97	792.76
PAT	Rs. Cr.	2.48	(30.55)
PAT Margin	(%)	0.33	(3.85)
Total Debt/Tangible Net Worth	Times	0.79	0.76
PBDIT/Interest	Times	1.99	0.36

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

CRISIL vide its press release dated 29 July 2021, has mentioned the rating of BLKSL to '[CRISIL] D' Issuer Not Cooperating as on 29 July 2021.

Any other information

Not Applicable.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Dec 2020	Bank Guarantee	Short Term	16.88	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	3.46	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE D (Withdrawn)
	Term Loan	Long Term	2.00	ACUITE D (Assigned)
	Term Loan	Long Term	1.43	ACUITE D (Withdrawn)
	Term Loan	Long Term	7.70	ACUITE D (Withdrawn)
	Term Loan	Long Term	2.21	ACUITE D (Withdrawn)
	Term Loan	Long Term	3.08	ACUITE D (Withdrawn)
	Term Loan	Long Term	1.99	ACUITE D (Withdrawn)
	Term Loan	Long Term	104.04	ACUITE D (Reaffirmed)
	Term Loan	Long Term	4.68	ACUITE D (Withdrawn)
	Term Loan	Long Term	1.35	ACUITE D (Assigned)
	Term Loan	Long Term	22.00	ACUITE D (Reaffirmed)
	Term Loan	Long Term	6.16	ACUITE D (Withdrawn)
	Cash Credit	Long Term	36.20	ACUITE D (Reaffirmed)
	Term Loan	Long Term	3.03	ACUITE D (Withdrawn)
	Cash Credit	Long Term	55.00	ACUITE D (Reaffirmed)
	Term Loan	Long Term	4.56	ACUITE D (Withdrawn)
	Term Loan	Long Term	0.55	ACUITE D (Withdrawn)
	Cash Credit	Long Term	23.34	ACUITE D (Reaffirmed)
	Term Loan	Long Term	3.62	ACUITE D (Withdrawn)
	Working Capital Term Loan	Long Term	7.79	ACUITE D (Withdrawn)
	Term Loan	Long Term	1.57	ACUITE D (Reaffirmed)
	Working Capital Demand Loan	Long Term	26.03	ACUITE D (Withdrawn)
	Working Capital Term Loan	Long Term	2.00	ACUITE D (Withdrawn)
	Term Loan	Long Term	4.40	ACUITE D (Withdrawn)
	Bank Guarantee	Short Term	7.19	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	68.61	ACUITE D (Reaffirmed)
	Term Loan	Long Term	1.59	ACUITE D (Withdrawn)
	Working Capital Term Loan	Long Term	6.50	ACUITE D (Withdrawn)
	Working Capital Term Loan	Long Term	14.64	ACUITE D (Withdrawn)
	Cash Credit	Long Term	53.00	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	159.21	ACUITE D (Reaffirmed)
Cash Credit	Long Term	100.00	ACUITE D (Reaffirmed)	
Working Capital Term Loan	Long Term	10.43	ACUITE D (Withdrawn)	
Working Capital Term Loan	Long Term	17.92	ACUITE D (Withdrawn)	
Bank Guarantee	Short Term	147.53	ACUITE D (Reaffirmed)	
Term Loan	Long Term	2.10	ACUITE D (Assigned)	
Cash Credit	Long Term	26.03	ACUITE D (Reaffirmed)	
01 Oct 2019	Working Capital Demand Loan	Long Term	26.03	ACUITE D (Reaffirmed)
	Term Loan	Long Term	40.80	ACUITE D (Reaffirmed)
	Term Loan	Long Term	22.01	ACUITE D (Reaffirmed)
	Working Capital Term Loan	Long Term	59.28	ACUITE D (Reaffirmed)
	Term Loan	Long Term	108.23	ACUITE D (Reaffirmed)
	Cash Credit	Long Term	297.54	ACUITE D (Reaffirmed)
Bank Guarantee	Short	402.88	ACUITE D (Reaffirmed)	

		Term		
31 Aug 2018	Cash Credit	Long Term	297.54	ACUITE D (Reaffirmed)
	Working Capital Term Loan	Long Term	59.28	ACUITE D (Reaffirmed)
	Term Loan	Long Term	40.80	ACUITE D (Reaffirmed)
	Term Loan	Long Term	22.01	ACUITE D (Reaffirmed)
	Working Capital Term Loan	Long Term	26.03	ACUITE D (Reaffirmed)
	Term Loan	Long Term	108.23	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	402.88	ACUITE D (Reaffirmed)
21 Jun 2017	Cash Credit	Long Term	297.54	ACUITE D (Assigned)
	Working Capital Term Loan	Long Term	59.28	ACUITE D (Assigned)
	Term Loan	Long Term	40.80	ACUITE D (Assigned)
	Term Loan	Long Term	22.01	ACUITE D (Assigned)
	Working Capital Term Loan	Long Term	26.03	ACUITE D (Assigned)
	Bank Guarantee	Short Term	402.88	ACUITE D (Assigned)
	Term Loan	Long Term	108.23	ACUITE D (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	159.21	ACUITE D Reaffirmed
ICICI Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	68.61	ACUITE D Reaffirmed
Indusind Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	7.19	ACUITE D Reaffirmed
Punjab National Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	16.88	ACUITE D Reaffirmed
Canara Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	147.53	ACUITE D Reaffirmed
Yes Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	3.46	ACUITE D Reaffirmed
Indusind Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	36.20	ACUITE D Reaffirmed
ICICI Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	23.34	ACUITE D Reaffirmed
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	100.00	ACUITE D Reaffirmed
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	53.00	ACUITE D Reaffirmed
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	55.00	ACUITE D Reaffirmed
Yes Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	26.03	ACUITE D Reaffirmed
Yes Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	1.57	ACUITE D Reaffirmed
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	104.04	ACUITE D Reaffirmed
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	22.00	ACUITE D Reaffirmed
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	2.00	ACUITE D Reaffirmed
ICICI Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	1.35	ACUITE D Reaffirmed

Indusind Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	2.10	ACUITE D Reaffirmed
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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 8,850 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 Kanjurmarg, Mumbai.

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