

Press Release

Bhawani Castings Private Limited

October 17, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	13.62	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	3.38	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	17.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.17.00 crore bank facilities of BHAWANI CASTINGS PRIVATE LIMITED (BCPL). The rating continues to be flagged as "Issuer Not-Cooperating" based on the information risk.

About the Company

Punjab-based Bhawani Castings Private Limited (BCPL) was incorporated in 1992 by Mr. B. P. Singh and Ms. Tajinder Kaur. In 2011, the management was taken over by Mr. Ashok Kumar Aggarwal, Mr. Amrish Gupta and Mr. Gaurav Gupta. BCPL manufactures MS billets and TMT bars with a current capacity of 72,000 tons per month.

Non-cooperation by the issuer/borrower:

Acuite 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
20 Jul 2021	Letter of Credit	Short Term	3.38	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	4.91	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.75	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.96	ACUITE B+ (Downgraded and Issuer not co-operating*)
22 Apr 2020	Term Loan	Long Term	2.96	ACUITE BB- (Issuer not co-operating*)
	Letter of Credit	Short Term	3.38	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	4.91	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	5.75	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	2.96	ACUITE BB- (Issuer not co-operating*)

25 Feb 2019	Letter of Credit	Short Term	3.38	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	4.91	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	5.75	ACUITE BB- (Issuer not co-operating*)
21 Dec 2017	Cash Credit	Long Term	5.75	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	4.91	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	2.96	ACUITE BB- Stable (Assigned)
	Letter of Credit	Short Term	3.38	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Kotak Mahindra Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.75	ACUITE B+ Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.38	ACUITE A4 Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Term Loan	Not available	Not available	Not available	2.96	ACUITE B+ Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Term Loan	Not available	Not available	Not available	4.91	ACUITE B+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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