

Press Release

Bilaspur Mining Industries Private Limited

December 17, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 48.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB+) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A2+) Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2+**' (read as **ACUITE A two plus**) on the Rs. 48.00 crore bank facilities of Bilaspur Mining Industries Private Limited (BMPL). The rating downgrade is on account of information risk. This rating is now an indicative rating and is based on best available information.

BMPL was incorporated in 1997 by Mr. Jai Prakash Agarwal and Mr. Malay Kumar Dutta. The company manufactures special purpose machineries, mainly used in the mining industry. The ISO 9001:2008 certified company is engaged in the manufacturing of PP/ Block Bottom Valve/ LPP/ HDPE bags. The installed capacity stands at 7500 MT. Going forward, BMPL plans to stop manufacturing of special purpose machineries.

JK Sons Engineers Private Limited (JKPL), a Chattisgarh-based company was incorporated in 2008 by Mr. Jai Prakash Agarwal, Mr. Pranav Prakash Agarwal and Mr. Satya Prakash Agarwal. The ISO 9001:2008 certified company is engaged in the manufacturing of PP/HDPE bags and caters to various industries including cement, fertilizer and chemicals, among others. The company expanded its capacity from 4200 MT per annum to 9600 MT per annum in 2012.

Analytical Approach

Acuité has consolidated the business and financial risk profiles of JK Sons Engineers Private Limited and Bilaspur Mining Industries Private Limited, together referred to as the JK Group (JG). The consolidation is due to the common management apart from significant financial and operational synergies within the group.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.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). Acuite endeavoured 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 attempts.

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

Not applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
17-April-2019	Cash Credit	Long Term	14.00	ACUITE BBB+ Issuer not cooperating*
	Term Loan I	Long Term	18.53	ACUITE BBB+ Issuer not cooperating
	Term Loan II	Long Term	2.05	ACUITE BBB+ Issuer not cooperating
	Term Loan III	Long Term	0.59	ACUITE BBB+ Issuer not cooperating
	Bank Guarantee	Short Term	1.00	ACUITE A2+ Issuer not cooperating
	Letter of Credit	Short Term	1.00	ACUITE A2+ (Issuer not cooperating)
	Proposed Cash Credit Facility	Long Term	3.00	ACUITE BBB+ Issuer not cooperating
	Proposed Bank Facility	Long Term	6.80	ACUITE BBB+ Issuer not cooperating
	Proposed Bank Guarantee	Short Term	1.03	ACUITE A2+ Issuer not cooperating
07-Feb-2018	Cash Credit	Long Term	14.00	ACUITE BBB+/ Stable (Assigned)
	Term Loan I	Long Term	18.53	ACUITE BBB+/ Stable (Assigned)

	Term Loan II	Long Term	2.05	ACUITE BBB+/ Stable (Assigned)
	Term Loan III	Long Term	0.59	ACUITE BBB+/ Stable (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A2+ (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A2+ (Assigned)
	Proposed Cash Credit Facility	Long Term	3.00	ACUITE BBB+/ Stable (Assigned)
	Proposed Bank Facility	Long Term	6.80	ACUITE BBB+/ Stable (Assigned)
	Proposed Bank Guarantee	Short Term	1.03	ACUITE A2+ (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	14.00	ACUITE BB+ (Downgraded, Issuer not cooperating)
Term Loan I	Not Applicable	Not Applicable	Not Applicable	18.53	ACUITE BB+ (Downgraded, Issuer not cooperating)
Term Loan II	Not Applicable	Not Applicable	Not Applicable	2.05	ACUITE BB+ (Downgraded, Issuer not cooperating)
Term Loan III	Not Applicable	Not Applicable	Not Applicable	0.59	ACUITE BB+ (Downgraded, Issuer not cooperating)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Downgraded, Issuer not cooperating)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ (Downgraded, Issuer not cooperating)

Proposed Cash Credit Facility	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ (Downgraded, Issuer not cooperating)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	6.80	ACUITE BB+ (Downgraded, Issuer not cooperating)
Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.03	ACUITE A4+ (Downgraded, Issuer not cooperating)

**The issuer did not co-operate; based on best available information.*

Contacts

Analytical	Rating Desk
<p>Pooja Ghosh Head - Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in</p> <p>Priyanka Rathi Analyst - Rating Operations Tel: 033-66201210 priyanka.rathi@acuite.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUITE Ratings 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 6,000 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.