



**Press Release**  
**BST Infratech Limited**  
**December 23, 2024**  
**Rating Downgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	175.21	ACUITE C   Downgraded	-
Bank Loan Ratings	12.79	ACUITE D   Downgraded	-
Bank Loan Ratings	80.00	-	ACUITE A4   Downgraded
Bank Loan Ratings	20.00	-	ACUITE D   Downgraded
Total Outstanding Quantum (Rs. Cr)	288.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has downgraded the long term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE BBB+**' (read as **ACUITE Triple B plus**) on the Rs. 12.79 Cr. and short term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs. 20.00 Cr. bank facilities of BST Infratech Limited (BSTIL).

Further Acuite has downgraded its long term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BBB+**' (read as **ACUITE Triple B plus**) on Rs. 175.21 Cr. and short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A2**' (read as **ACUITE A two**) on Rs. 80.00 Cr. bank facilities of BST Infratech Limited (BSTIL).

**Rationale for Rating Downgrade**

The rating downgrade is on account of a delays in repayment of debt obligations as reflected in the Credit bureau Information report.

**About the Company**

Incorporated in 2007, BST Infratech Limited (BSTIL) is engaged in the manufacturing of mild steel (MS) strips, MS Bars & wire rods, MS/GI Wires, MS & Galvanized Iron (GI) pipes, tubular poles and transmission towers. BSTIL is promoted by Mr. Gopal Kumar Agarwal and Mr. Pradip Kumar Agarwal. The manufacturing unit is located in Asansol (West Bengal) with an installed capacity of 60,000 MTPA for MS strips, 96,000 MTPA for MS/GI pipes, 60,000 MTPA for MS Bars & wire rods, 12,000 MTPA for MS/GI wires, 10,000 MTPA tubular poles and 24,000 MTPA transmission towers.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has taken the standalone view of the business and financial risk profile of BSTIL

**Key Rating Drivers**

**Strengths**

Long track record of operations and segmental diversification

BST Infratech Limited (BSTIL) has established a long standing presence of around two decades in the manufacturing industry of iron & steel products. BSTIL is supported by the extensive experience of Mr. Gopal Kumar Agarwal and Mr Pradip Kumar Agarwal. The company has achieved segmental divergence and executes EPC contracts relating to installation and supply of power transmission towers along with the manufacturing business.

Acuité believes that the experienced management and the established presence of the BSTIL will continue to benefit the company going forward.

### **Weaknesses**

#### **Cyclical nature of the industry**

The company's performance remains vulnerable to cyclical nature in the steel sector as demand for steel depends on the performance of the end user segments such as construction and real estate. Indian steel sector is highly competitive due to the presence of a large number of players. The operating margin of the company is exposed to fluctuations in the prices of intermediate goods as well as realization from finished goods.

### **Rating Sensitivities**

- Timely repayments of loan obligations

### **Liquidity Position**

#### **Stretched**

Liquidity position of the company is poor as there have been delays observed in the debt servicing.

### **Outlook: Not Applicable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Provisional)	FY 23 (Actual)
Operating Income	Rs. Cr.	1220.28	1127.38
PAT	Rs. Cr.	7.62	6.28
PAT Margin	(%)	0.62	0.56
Total Debt/Tangible Net Worth	Times	2.02	1.80
PBDIT/Interest	Times	1.60	1.73

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

Not Applicable

## Any other information

None

## Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 May 2024	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	3.42	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	3.67	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	15.00	ACUITE BBB+   Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	36.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.30	ACUITE BBB+   Stable (Assigned)
	Working Capital Term Loan	Long Term	2.12	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	2.79	ACUITE BBB+   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	6.80	ACUITE BBB+   Stable (Assigned)
	Cash Credit	Long Term	24.00	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	70.00	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BBB+   Stable (Reaffirmed)
	Term Loan	Long Term	1.77	ACUITE BBB+   Stable (Assigned)
	Term Loan	Long Term	1.13	ACUITE BBB+   Stable (Assigned)
03 Mar 2023	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	21.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	9.00	ACUITE A2 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	14.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	25.50	ACUITE A2 (Assigned)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	23.00	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB+   Stable (Assigned)

	Cash Credit	Long Term	37.00	ACUITE BBB+   Stable (Reaffirmed)
	Cash Credit	Long Term	33.00	ACUITE BBB+   Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE BBB+   Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	36.00	ACUITE BBB+   Stable (Assigned)
23 Dec 2021	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	14.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	21.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB+   Negative (Reaffirmed)
	Cash Credit	Long Term	37.00	ACUITE BBB+   Negative (Reaffirmed)
	Cash Credit	Long Term	23.00	ACUITE BBB+   Negative (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB+   Negative (Reaffirmed)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE D   Downgraded ( from ACUITE A2 )
Bandhan Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4   Downgraded ( from ACUITE A2 )
UCO Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A4   Downgraded ( from ACUITE A2 )
Indian Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A4   Downgraded ( from ACUITE A2 )
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	24.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
UCO Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	70.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Bandhan Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE D   Downgraded ( from ACUITE BBB+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.80	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
UCO Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Feb 2026	3.67	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
UCO Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2028	3.42	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Punjab National Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Nov 2027	2.79	Simple	ACUITE D   Downgraded ( from ACUITE BBB+ )
Bandhan Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	10 Dec 2027	1.77	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Bandhan Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	05 Sep 2028	1.13	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	18 May 2028	15.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Bandhan Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Indian Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	36.00	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
Punjab National Bank	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE D   Downgraded ( from ACUITE BBB+ )
Indian Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Mar 2025	1.30	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )

Indian Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Dec 2027	2.12	Simple	ACUITE C   Downgraded ( from ACUITE BBB+ )
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## Contacts

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