

December 27, 2023

## Bangalore Metallurgicals Private Limited: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	6.00	6.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	1.50	1.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>7.50</b>	<b>7.50</b>	

\*Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in Annexure-I

### Rationale

ICRA has kept the Long-Term rating of Bangalore Metallurgicals Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+ (Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Bangalore Metallurgicals Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology –Iron &amp; Steel</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Established in 1960, BMPL is engaged in manufacturing of metal casts. BMPL was originally set up in 1960 as a partnership firm by Mr. Maddaiah Ramaiah and his family members; subsequently, the firm was reconstituted as a private limited company in 1987. The company manufactures grey and ductile steel castings ranging from 0.5 kg to 3000 kg for its customers across industries such as electric motors, textiles, earth moving equipment, machine tools and wind turbine sectors. The

foundry has ISO 9001 and ISO 14001 & 18001 certifications through TUV Rheinland Private Limited. The company's facility was earlier located in Rajaji Nagar in Bangalore. However, the company upgraded its machinery and shifted to a new unit in Hoskote (40 km from Bangalore) in the year 2000. The current capacity of the foundry stands at 6000 MT per annum and the management plans to expand into heavy castings and reach a capacity of 12000 MT over the near-to-long term. While the capacity utilisation of the plant stood at nearly 80% till 2011-12, the same has decreased to about 40-50% from 2012-13 on account of the company's change in focus to high-margin hand-moulded castings as against the earlier focus on low-margin machine-moulded castings.

## Key financial indicators

	FY2021	FY2022
Operating income	30.9	59.7
PAT	0.6	2.6
OPBDIT/OI	9.7%	10.7%
PAT/OI	1.9%	4.3%
Total outside liabilities/Tangible net worth (times)	2.9	3.8
Total debt/OPBDIT (times)	4.5	3.5
Interest coverage (times)	3.0	5.2

Source – Company

## Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
ACUITE	ACUITE B+; ISSUER NOT COOPERATING	November 28, 2023

Any other information: None

## Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in
				27-Dec-2023	26-Oct-2022	22-Sep-2021	22-Jul-2020
1 Cash Credit	Long Term	6.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
2 Term Loan	Long Term	1.50	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

#### Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	6.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	1.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Bangalore Metallurgicals Private Limited

#### Annexure-II: List of entities considered for consolidated analysis: Not Applicable

## ANALYST CONTACTS

**Jayanta Roy**

+91 33 7150 1120

[jayanta@icraindia.com](mailto:jayanta@icraindia.com)

**Subhechha Banerjee**

+91 33 7150 1130

[subhechha.banerjee@icraindia.com](mailto:subhechha.banerjee@icraindia.com)

**Susmita Biswas**

+91-033 7150 1182

[susmita.biswas@icraindia.com](mailto:susmita.biswas@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91-022-61693300

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



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