

June 20, 2024

Beardsell Limited: Ratings downgraded and moved to Issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term - Fixed deposit	5.00	5.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; rating downgraded from [ICRA]BB+ (Stable) and rating moved to "ISSUER NOT COOPERATING" category
Total	5.00	5.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the fixed deposits of Beardsell Limited to '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 Beardsell Limited; ICRA has been sending repeated reminders to the entity for providing information for the surveillance rating exercise of fixed deposit ratings. However, despite multiple requests by ICRA, the entity's management has remained non-cooperative and has not shared information. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, rating sensitivities and key financial indicators: [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	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Beardsell Limited. The details of the same are listed out in Annexure-2.

About the company

Beardsell Limited was incorporated in 1936 with its head office in Chennai. It manufactures insulation products such as prefabricated products and packaging and moulded products. The prefabricated segment comprises panel products, which find application in sectors such as cold storages, affordable housing, food processing plants, pharma and roofing applications. The company's packaging and moulded products segment manufactures panels (expanded polystyrene sheets and rigid polyurethane foam slabs) primarily used for composite packaging, anti-static packaging, building insulation, etc, that find application in the consumer durables industry. Besides, BSL trades in industrial motors in the domestic market. It is a channel partner for the electric motors of Siemens in Tamil Nadu. The company has six manufacturing units, one each in Chennai, Thane, Karad, Hyderabad, Maler (Karnataka) and Hapor. Its registered office is in Chennai with nine branches pan-India.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument		Current rating (FY2025)			Chronology of rating history for the past 3 years							
		Type	Amount rated (Rs. crore)	Amount outstanding as on Mar 31, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023				Date & rating in FY2022	
					June 20, 2024	June 30, 2023	Dec 20, 2022	June 29, 2022	June 07, 2022	Apr 18, 2022	Mar 29, 2022	Apr 07, 2021
1	Fixed deposit	Long term	5.00	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING *	[ICRA]BB + (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	MB+ (Stable)	MB+ (Stable)	MB+ (Stable)
2	Long term loan	Long term	-	-	-	-	-	-	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-	-
3	Cash credit	Long term	-	-	-	-	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-	-
4	Working capital term loan	Long term	-	-	-	-	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-	-
5	Working capital demand loan	Long term	-	-	-	-	[ICRA]BB (Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-	-
6	Letter of credit	Short Term	-	-	-	-	[ICRA]A4; Withdrawn	[ICRA]A4	[ICRA]A4	[ICRA]A4	-	-
7	Bank guarantees	Short Term	-	-	-	-	[ICRA]A4; Withdrawn	[ICRA]A4	[ICRA]A4	[ICRA]A4	-	-

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

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long term - Fixed deposit	Very 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	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fixed deposits	NA	NA	NA	5.00	[ICRA]B+ (Stable) ISSUER NOT COOPERATING

Source: Company

Annexure-II: List of entities considered for consolidated analysis

Company Name	BL Ownership	Consolidation Approach
Sarovar Insulation Pvt. Ltd.	100%	Full Consolidation
Saideep Polythermal	100%	Full Consolidation

Source: BSL annual report FY2022

Note: ICRA has taken a consolidated view of the parent (BSL), its subsidiaries and associates while assigning the ratings.

ANALYST CONTACTS

Girishkumar Kadam

+9122 6114 3441

girishkumar@icraindia.com

Prashant Vashisht

+91 124 4545 322

prashant.vashisht@icraindia.com

B Kushal Kumar

040 69396408

kushal.kumar@icraindia.com

Deep Shailesh Vakil

+91 70778 01221

Deep.vakil@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

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

info@icraindia.com

About ICRA Limited:

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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

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



Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.