

March 28, 2025

Bliss Anand Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. Crore)	Current rated amount (Rs. Crore)	Rating action
Long term Fund based - working capital	25.00	15.00	[ICRA]BBB (Stable); reaffirmed
Long term/Short term Non-fund based - Bank Guarantee	100.00	70.00	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed
Long term/Short term - Unallocated Limits	0.00	40.00	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed
Total	125.00	125.00	

*Instrument details are provided in Annexure I

Rationale

The ratings consider Bliss Anand Private Limited's (BAPL) established presence as a valve and fields instruments manufacturer (which find application in the oil and gas industry), and its ability to secure orders from reputed engineering procurement contractors (EPC) and oil and gas majors on the back of product accreditations and vast experience of its promoters. The ratings also consider entry barriers due to stringent approval processes and quality control involved.

The company's revenues declined significantly by 49% to Rs. 160.8 crore in FY2024 on account of delays in execution due to delay in receipt of approval from multiple stakeholders, change in scope of certain projects, and the company's conscious decision to part away from low-margin contracts. Its revenues are expected to remain flat in FY2025 owing to continued delays in execution of orders in the Skid solution segment. However, healthy growth in the instruments segment is expected to support the company's revenues to an extent. While the company has a healthy unexecuted order book of ~Rs. 356.2 crore as of March 10, 2025, timely execution of the same, amid several slow-moving orders, remains a monitorable. The ratings are constrained by BAPL's moderate scale of operations, which are exposed to risks associated with tender-based business, high customer and supplier concentration, along with continuous and high dependence on bank guarantees.

The Stable outlook reflects ICRA's expectations that its credit profile will remain supported by the likely steady revenues and earnings, given the consistent order inflows, aiding the company in maintaining healthy debt metrics.

Key rating drivers and their description

Credit strengths

Established track record in valve manufacturing business, backed by extensive experience of promoters – BAPL has been manufacturing level gauges equipment used for flow and level measurement, and control and safety relief valves used in various industries since 1975. It has a diverse product portfolio of valves and field instruments, which find applications in various process and power industries such as oil and gas, petro-chemicals, power and energy. The promoters have been involved in this business for five decades and have established relationships with customers and suppliers. Experience of the promoters and the company's established presence resulted in healthy order inflows. BAPL had a healthy unexecuted order book of Rs. 356.2 crore as of March 10, 2025, which provides revenue visibility. However, timely execution remains monitorable.

Entry barrier due to stringent approval process and quality control – The company manufactures various field instruments, usages of which are critical, especially in the oil and gas sector. BAPL is one of the few Indian entities to have approval from almost all oil and gas majors in the Middle East. The approval process and quality controls are very stringent in this industry,

along with the requirement of technical know-how and certifications. Hence, it is extremely difficult for new entrants in the industry to establish a foothold.

Credit challenges

Moderate scale of operations; exposed to risks associated with tender-based business – The company's scale of operations is moderate with revenues of Rs. 160.8 crore in FY2024. Its revenues declined significantly by 49% in FY2024 on account of delays in execution of orders owing to change in scope of certain projects, delay in receipt of approval from multiple stakeholders and the company's conscious decision to part with low-margin contracts. While ICRA notes that the company had a healthy unexecuted order book of Rs. 356.2 crore as on March 10, 2025, ICRA notes that it comprises multiple slow-moving orders. Hence, timely execution remains critical for scale-up of operations. However, given the company's strategy of focussing on margin-accretive projects, its operating margin improved to 23.3% in FY2024 from 19.2% in FY2023. The company's revenues are expected to remain flat in FY2025, while the margins are likely to remain over 20%. Further, the company's revenues and earnings are susceptible to the risks associated with the tender-based business.

Exposed to high customer and supplier concentration – BAPL's top five customers generated ~67% of its revenues in FY2024, with the largest customer (L&T Limited) accounting for ~43%. There has been some diversification observed in the current year, although sustenance of the same remains to be seen. The supplier concentration is also high (63% from top three suppliers). The company's focus on expanding its customer base through various successful tender bids will be imperative in diversifying its customer concentration, going forward.

Continuous and high dependence on bank guarantees – Inherent to the nature of business contracts, the company needs to provide financial/performance bank guarantee (BG). BAPL provides BGs for about 10% of the project cost as a financial performance guarantee to some of its major clientele with an average period of 18-36 months. Moreover, any delay in execution of the projects leads to increased BG requirements as they are locked for a longer period. At present, the company utilises 100% of its sanctioned BG limits of Rs. 66.8 crore. It has also availed additional BGs against 100% cash margin (FDs). ICRA notes that the company has requested its lenders for enhancement in BG limits. Timely enhancement of the same will be critical to achieve business growth, going forward.

Liquidity position: Adequate

BAPL's liquidity is adequate with estimated retained cash flows of Rs. 20.0-30.0 crore in the next 12 months, along with adequate free cash and bank balances of ~Rs. 50 crore and undrawn lines of ~Rs. 7.3 crore as on February 28, 2025. In relation to these sources of cash, BAPL has capex commitments of ~Rs. 10 crore (to be funded through internal accruals) and debt repayments of ~Rs. 3.0 crore in the next 12 months. Overall, ICRA expects BAPL to be able to meet its near-term commitments through internal accruals and cash.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the company demonstrates a healthy growth in its revenues, while maintaining healthy profit margins and credit profile.

Negative factors – ICRA may downgrade the ratings if any significant decline in scale or profitability weakens the key credit metrics, or if a stretch in the working capital cycle or a large debt-funded capex adversely impacts the liquidity profile on a sustained basis. A specific credit metric that could lead to ratings downgrade include total debt/OPBDITA increasing to more than 2.50 times, on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company.

About the company

Bliss Anand Private Limited, incorporated in 1975 by Late Mr. Prem Anand, it is a manufacturer of industrial solutions specializing in safety relief valves, lubricated taper plug valves, level instrumentation, geodesic domes, internal floating roofs, and customized process packages. Our solutions serve industries including oil & gas, petrochemicals, power, and renewable energy. The group has two manufacturing facilities in India in Bawal (Haryana) and Coimbatore (Tamil Nadu) along with a warehouse in Manesar, Haryana. At present, the business is run by Late Mr. Prem Anand's son and grandson, Mr. Vikas Anand and Mr. Yuvraj Anand, respectively. The Bliss Group has presence in the Middle East, Europe, and the US, and those entities are handled by the brothers of Mr. Vikas Anand. BAPL India is the main manufacturing arm of the Bliss Group with 250 employees at present.

Key financial indicators (audited)

Bliss Anand Private Limited	FY2023	FY2024
Operating income	317.3	160.8
PAT	41.4	25.1
OPBDIT/OI	19.2%	23.3%
PAT/OI	13.1%	15.6%
Total outside liabilities/Tangible net worth (times)	1.2	0.9
Total debt/OPBDIT (times)	0.4	1.2
Interest coverage (times)	18.6	8.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Credit Rating Agency	Rating	PR Date
CRISIL Ratings	CRISIL B+/Stable (ISSUER NOT COOPERATING)/CRISIL A4 (ISSUER NOT COOPERATING)	March 18, 2024
Informatics Ratings	IVR BB/Negative; ISSUER NOT COOPERATING*/IVR A4; ISSUER NOT COOPERATING*	December 19, 2024

*Issuer did not cooperate; Based on best available information

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025) Amount rated (Rs. crore)	Chronology of rating history for the past 3 years							
			FY2025		FY2024		FY2023		FY2022	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based - working capital	Long term	15.00	Mar 28, 2025	[ICRA]BBB (Stable)	Dec 29, 2023	[ICRA]BBB (Stable)	-	-	-	-
Non-fund based – Bank Guarantee	Long-term/Short-term	70.00	Mar 28, 2025	[ICRA]BBB (Stable)/ [ICRA]A3+	Dec 29, 2023	[ICRA]BBB (Stable)/ [ICRA]A3+	-	-	-	-
Unallocated Limits	Long-term/Short-term	40.00	Mar 28, 2025	[ICRA]BBB (Stable)/ [ICRA]A3+	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term Fund based – working capital	Simple
Long term/Short term non-fund based – Bank Guarantee	Very Simple
Long term/Short term – Unallocated Limits	Not Applicable

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 are 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	Long term Fund based – working capital	-	-	-	15.00	[ICRA]BBB (Stable)
NA	Long term/Short term non-fund based – Bank Guarantee	-	-	-	70.00	[ICRA]BBB (Stable)/ [ICRA]A3+
NA	Long term/Short term – Unallocated Limits	-	-	-	40.00	[ICRA]BBB (Stable)/ [ICRA]A3+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

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