

April 23, 2025

Bhalkeshwar Sugars Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Term Loan	175.50	175.50	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	24.50	24.50	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	200.00	200.00	

*Issuer did not cooperate; based on best available information

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term ratings for the Bank facilities of Bhalkeshwar Sugars Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Bhalkeshwar Sugars Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated 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, 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 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	Policy in respect of non-cooperation by the rated entity Policy on default recognition Corporate Credit Rating Methodology sugar
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Bhalkeshwar Sugars Limited (BSL) was incorporated in 2000 and is operating an integrated sugar plant in Bhalki in Bidar district of North Karnataka. The first phase of the sugar plant started commercial operations since February 2014, with a capacity of 2500 TCD and cogeneration capacity of 14 MW. As part of second phase, the company has expanded the sugar capacity to 4000 TCD in October 2017 and set up a distillery capacity of 60 KLPD, which commissioned in October 2018.

Key financial indicators:

Standalone	FY 2022 (Rs. In Crore)	FY 2023 (Rs. IN Crore)
Operating Income (Rs. crore)	197.05	201.89
PAT (Rs. crore)	- 1.66	- 8.61
OPBDITA/OI (%)	20.08%	10.07%
PAT/OI (%)	-0.84%	-4.27%
Total Outside Liabilities/Tangible Net Worth (times)	25.25	46.25
Total Debt/OPBDITA (times)	6.66	14.44
Interest Coverage (times)	1.15	0.92

Source: MCA

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	[CRISIL]D; ISSUER NOT COOPERATING	December 27, 2024

Any other information: None

Rating history for past three years

	Instrument	Type	Current Rating (FY2026)		Chronology of Rating History for the past 3 years		
			Amount Rated (Rs. Crore)	Date & Rating in FY 2026	Date & Rating in FY 2025	Date & Rating in FY 2024	Date & Rating in FY 2023
				Apr 23, 2025	-	Feb 23, 2024	Dec 22, 2022
1.	Fund Based-Term Loan	Long Term	175.50	[ICRA]D ISSUER NOT COOPERATING	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING
2.	Unallocated	Long Term	24.50	[ICRA]D ISSUER NOT COOPERATING	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term-Fund Based-Term Loan	Simple
Long Term-Unallocated	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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-Term Loan	Mar 2014- Sep 2016	13.5%	NA*	175.50	[ICRA]D ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	24.50	[ICRA]D ISSUER NOT COOPERATING

* The company has applied for restructuring
 Source: Bhalkeshwar Sugars Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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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.

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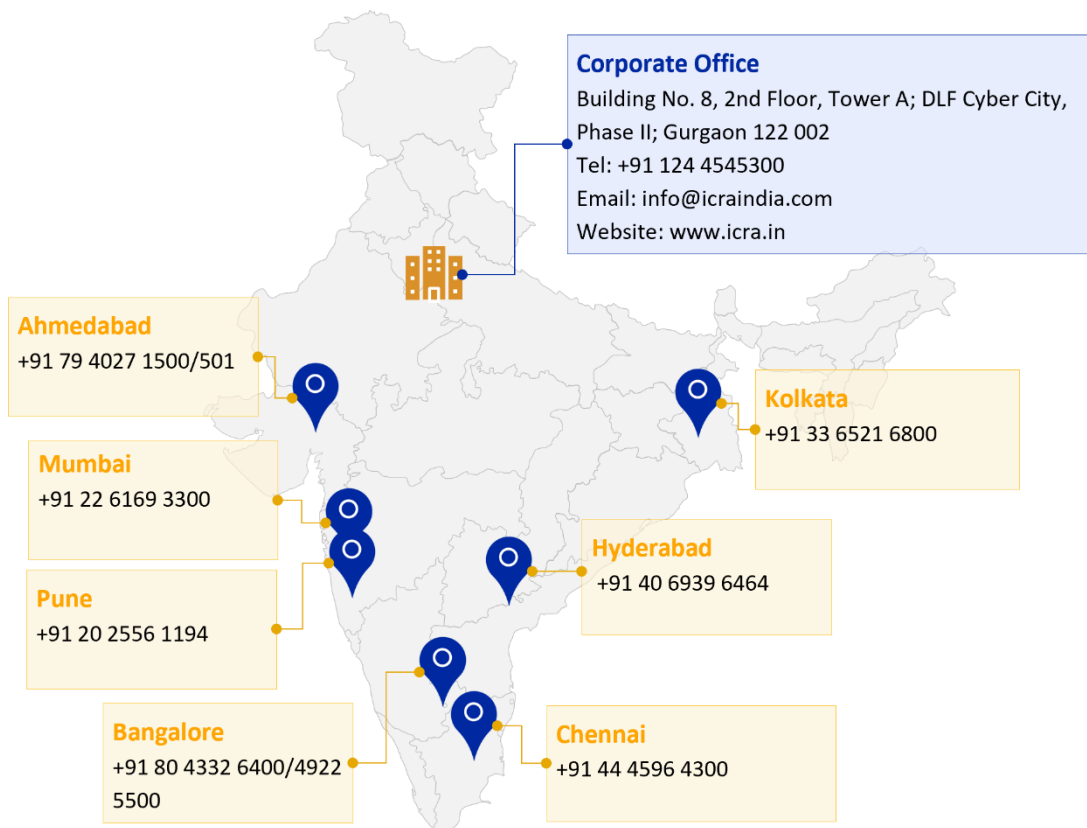


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