



ICRA

ICRA Limited

**CONFIDENTIAL**

**ICRA:BLR:2020-2021/RT/437**

**November 13, 2020**

**Mr. Anil Jerath**  
**General Manager – Finance**  
M/s BEML Limited  
BEML SOUDHA, No. 23/1,  
4<sup>th</sup> Main Road S.R. Nagar,  
Bangalore - 560027

Dear Sir,

**Re: ICRA Credit Rating for Rs. 200.0 crore (reduced from Rs. 300 crore) NCD Programme of BEML Limited.**

In terms of the Rating Agreement dated Oct 28, 2013, Feb 24, 2012, executed between BEML Limited and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your non-convertible debenture (NCD) programme at [ICRA]A+ (pronounced as ICRA A plus). The Outlook on the long-term rating continues to be **Negative**. Instruments with [ICRA]A rating indicate adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as [ICRA]A+ (Negative).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.



You are requested to furnish a monthly '*No Default Statement (NDS)*' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on '*Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)*' issued by the Securities and Exchange Board of India

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

[Rajeshwar Burla]

***Vice President***

[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)



Encl:

Annexure

**LIST OF ALL INSTRUMENTS RATED (WITH AMOUNT OUTSTANDING)**

<b>Rated Instrument</b>	<b>Rated Amount (In Rs.Crore)</b>	<b>Amount Outstanding (In Rs.Crore)</b>	<b>Rating Action</b>
INE258A07021 (NCD)	100.0	100.0	[ICRA]A+ (Negative)
INE258A07039 (NCD)	100.0	100.0	[ICRA]A+ (Negative)



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**November 13, 2020**

**Mr. Anil Jerath**  
**General Manager – Finance**  
M/s BEML Limited  
BEML SOUDHA, No. 23/1,  
4<sup>th</sup> Main Road S.R. Nagar,  
Bangalore - 560027

Dear Sir,

**Re: Surveillance of ICRA-assigned Credit Rating on Rs. 4,500.0 crore Line of Credit (LOC) of BEML Limited (instrument details in Annexure)**

Please refer to the Rating Agreement dated April 15, 2020 and Oct 28, 2013, Feb 24, 2012 between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review its ratings, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has reaffirmed the long-term rating of [ICRA]A+ (pronounced ICRA A plus) outstanding on the aforementioned LOC of your Company. The Outlook on the long-term rating continues to be **Negative**. The rating committee has also reaffirmed the short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) outstanding on the aforementioned LOC.

The aforesaid ratings will be due for surveillance any time before April 30, 2021.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated bank facility availed by your company.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned. Notwithstanding the foregoing, any change in the overall limit of the LOC from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.



You are requested to furnish a monthly '*No Default Statement (NDS)*' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund-based facility].

You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

[Rajeshwar Burla]

***Vice President***

[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)



***'No Default Statement on the Company Letter Head'***

To  
<CRA Name and Address>

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations(Securities).
5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawing of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Lender1	Term Loan, CC					
Lender2						

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>



ICRA

**Annexure**

<b>Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)</b>	<b>Amount (Rs. crore)</b>	<b>Rating</b>	<b>Rating Assigned on</b>
<b>Fund based (Cash Credit)</b>			
State Bank of India	750.0	<b>[ICRA]A+ (Negative)</b>	November 13, 2020
IDBI Bank	95.0		
Canara Bank	40.0		
Union Bank of India	100.0		
Bank of India	40.0		
HDFC Bank	75.0		
Axis Bank	20.0		
Deutsche Bank	50.0		
Indian Bank	20.0		
Bank of Baroda	10.0		
<b>Non-Fund based (Bank Guarantee)</b>			
State Bank of India	1,400.0	<b>[ICRA]A+ (Negative)</b>	November 13, 2020
IDBI Bank	215.0		
Canara Bank	200.0		
Union Bank of India	40.0		
Bank of India	280.0		
Axis Bank	230.0		
Indian Bank	20.0		
Bank of Baroda	115.0		
<b>Total</b>	<b>3,700.0</b>		

<b>Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale)</b>	<b>Amount (Rs. crore)</b>	<b>Rating</b>	<b>Rating Assigned on</b>
<b>Non- Fund based (Letter of Credit)</b>			
State Bank of India	465.0	<b>[ICRA]A1+</b>	November 13, 2020
IDBI Bank	25.0		
Canara Bank	160.0		
HDFC Bank	25.0		
Bank of Baroda	75.0		
Bank of India	50.0		
<b>Total</b>	<b>800.0</b>		





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**November 13, 2020**

**Mr. Anil Jerath**  
**General Manager – Finance**  
M/s BEML Limited  
BEML SOUDHA, No. 23/1,  
4<sup>th</sup> Main Road S.R. Nagar,  
Bangalore - 560027

Dear Sir,

**Re: ICRA Credit Rating on Rs. 400.0 crore Commercial Paper Programme of BEML Limited.**

Please refer the Rating Agreement between ICRA Limited (“ICRA”) and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has reaffirmed the rating assigned to the aforementioned instrument at **[ICRA]A1+** (pronounced as ICRA A one Plus). Instruments with “[ICRA] A1” rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as [ICRA]A1+ (pronounced as ICRA A one Plus).

Additionally, we wish to highlight the following with respect to the rating:

(a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance;

(b) Subject to Clause (c) below, our rating is valid from the date of this letter till May 11, 2021 (“Validity Period”). The rating will generally be due for review at the end of the Validity Period. The maturity date of the Commercial Paper (CP) shall not be after the end of the Validity Period. The CP will have a maximum maturity of twelve months.

(c) notwithstanding what is stated in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold CP issued by you. **The rating is restricted to your CP programme size of Rs. 400 crore only.** In case, you propose to enhance the size of CP/CD/ STD Programme, the same would be required to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of / CD/STD.





You are requested to furnish a monthly '*No Default Statement (NDS)*' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on '*Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)*' issued by the Securities and Exchange Board of India.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

[Rajeshwar Burla]

***Vice President***

[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Encl.**