

Brickwork revises ratings on bank loan facilities of BGR Energy Systems

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The change in outlook and revision of short term rating has taken into account slow project execution rate during the 9M FY21 due to COVID.

Brickwork Ratings revises the ratings for the Bank Loan Facilities aggregating to Rs8305.00cr of BGR Energy Systems Ltd.

Long term ratings has been revised to BWR BBB with negative outlook and short term ratings downgrade to BWR A3.

According to the rationale report, the change in outlook and revision of short term rating has taken into account slow project execution rate during the 9M FY21 due to COVID related disruptions leading to significant fall in revenue and incurrence of losses.

The outlook for the company has been revised from Stable to Negative, considering the on-going project execution delays arising out of the current pandemic situation leading to sharp fall in operating income with 9M FY21 figures nearly 1/3rd of 9M FY20 figure.

The outlook will be revised to Stable if project execution rate improves leading to improvement in revenues and profitability.

At around 11:27 AM, BGR Energy Systems was trading at Rs64.60 apiece up by Rs0.1 or 0.16% on Sensex.