

Press Release
Bajaj Capital Ventures Private Limited

January 15, 2020

Rating Withdrawn



Total Bank Facilities Rated*	Rs.40.00 Cr.
Short Term Rating	ACUITE A2+ (CE) (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn its short-term rating of '**ACUITE A2+ (CE)**' (**read as ACUITE A two plus (Credit Enhancement)**) on the Rs.40.00 crore bank facilities of Bajaj Capital Ventures Private Limited (BCPL).

The rating is being withdrawn on account of request received from the company and No Dues Certificate received from the bank.

About the Borrower- Bajaj Capital Ventures Private Limited

Bajaj Capital Ventures Private Limited (BCPL), incorporated in 1994, is a part of Shishir Bajaj group of companies. BCPL owns a property in Nariman Point, Mumbai which is given on lease. At present 99.99 percent of shares of BCPL are held by Mr. Shishir Bajaj, joint with Mr.Kushagra Bajaj, joint with Mrs. Minakshi Bajaj.

About the Corporate Guarantor – Bajaj Resources Limited (BRL)

BRL is an investing company of the promoter family. It has been listed as a promoter entity as per the disclosures on the stock exchanges. BRL held ~99.83 percent of the total shareholding of BCCL as on 30 June 2019. The rated bank facilities are secured by the pledge of BCCL's shares held by BRL and corporate guarantee of BRL.

About Bajaj Consumer Care Limited

Bajaj Consumer Care Limited (BCCL) is a part of Shishir Bajaj Group of companies (SBG). SBG has interests in Sugar (Bajaj Hindustan Sugar Limited), Consumer Goods (Bajaj Consumer Care Limited), Power Generation (Lalitpur Power Generation Company Limited & Bajaj Energy Limited) and Infrastructure Development (Bajaj Infrastructure Development Company Limited). BCCL is one of the leading player in Hair oil category with brands like Bajaj Almond Drops Hair oil, Bajaj Brahmi Amla Hair Oil, Bajaj Amla Hair oil and Bajaj Jasmine Hair oil among others.

Standalone (Unsupported) Rating

ACUITE A4

Analytical Approach

Acuité has considered the standalone business and financial risk profile of BCPL and has factored in support of the promoters of BCCL by way of pledge of shares of BCCL and unconditional and irrevocable corporate guarantee of BRL to arrive at the rating.

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	0.79	0.99
PAT	Rs. Cr.	(11.66)	(5.08)
PAT Margin	(%)	(1,471.28)	(515.76)
Total Debt/Tangible Net Worth	Times	2.73	1.44
PBDIT/Interest	Times	0.05	0.53

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Entities in Service Sector - <http://acuite.in/view-rating-criteria-8.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Explicit Credit Enhancements - <https://www.acuite.in/view-rating-criteria-49.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
09-Oct-19	Term Loan	Long term	40.00	ACUITE A2+ (CE) (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Applicable	Not Applicable	Not Applicable	40.00	ACUITE A2+ (CE) (Withdrawn)

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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