



Press Release
BALAJI CARS PRIVATE LIMITED
April 28, 2025
Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	160.00	Provisional ACUITE C Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	160.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-
* The issuer did not co-operate; based on best available information.			

Rating Rationale

Acuite has reaffirmed its long term rating of '**ACUITE Provisional C'** (read as **Acuite Provisional C**) on the Rs.160 crore of Proposed Non-Convertible Debentures of the Balaji Cars Private Limited(BCPL). The rating is now an indicative rating and is based on best available information.

The rating on the proposed Rs. 160.00 Cr NCDs is provisional and the final rating is subject to the following documentation requirements:

1. Receipt of the executed trust deed.
2. Receipt of the final term sheet and confirmation from the trustee regarding compliance with all the terms and conditions.

About the Company

Balaji Cars Private Limited(BCPL) is a Mumbai based company incorporated in the year 2002. The company until 2015-16 was an authorized automobile dealer of Tata Motors. BCPL is promoted by Mr. Shysunder Bhagwanram Jangid. In FY2022, BCPL entered into a development management agreement with Ashar Group to construct a mixed-use real estate project at Thane, near Ghodbunder road. The project construction is expected to commence in June 2022 with total estimated project cost of Rs. 682 Cr. Further, the project has a total saleable area of 4.49 lakh sq. ft, of which 3.94 lakh is allocated for residential, 0.40 lakh towards commercial and the rest for retail.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This

rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a

rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

All Covenants

- Development management fees payable to Ashar Group shall be restricted at 6.75 percent of sales until the closure of NCDs.
- Debt service reserve account (DSRA) for one quarter's servicing shall be created on the first day of the quarter end in which the servicing is due.

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	0.00	0.00
PAT	Rs. Cr.	(1.31)	(1.57)
PAT Margin	(%)	0.00	0.00
Total Debt/Tangible Net Worth	Times	(2.46)	(2.60)
PBDIT/Interest	Times	(145.10)	0.00

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Supplementary disclosures for Provisional Ratings

A. Risks associated with the provisional nature of the credit rating:

1. Lack of third party monitoring of compliance in absence of executed trust deed and no finalized terms in absence of final term sheet
2. In case there are material changes in the terms of the transaction after the initial assignment of the provisional rating and post the completion of the issuance (corresponding to the part that has been issued) Acuite will withdraw the existing provisional rating and concurrently, assign a fresh final rating in the same press release, basis the revised terms of the transaction.

B. Rating that would have been assigned in absence of the pending steps/documentation:

The rating would be equated to the standalone rating of the entity: ACUITE C

C. Timeline for conversion to Final Rating for a debt instrument proposed to be issued:

The provisional rating shall be converted into a final rating within 90 days from the date of issuance of the proposed debt instrument. Under no circumstance shall the provisional rating continue upon the expiry of 180 days from the date of issuance of the proposed debt instrument.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 May 2024	Proposed Non Convertible Debentures	Long Term	160.00	ACUITE Provisional C (Reaffirmed & Issuer not co-operating*)
05 May 2023	Proposed Non Convertible Debentures	Long Term	160.00	ACUITE Provisional C (Reaffirmed & Issuer not co-operating*)
05 May 2022	Proposed Non Convertible Debentures	Long Term	160.00	ACUITE Provisional C (Assigned)

* The issuer did not co-operate; based on best available information.

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	160.00	Simple	Provisional ACUITE C Reaffirmed Issuer not co-operating*

* The issuer did not co-operate; based on best available information.

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Abhishek Singh Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.