

## Baba Puran Dass Financial Services Limited

December 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Fixed deposit	3.00	CARE C; Negative; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) had placed the rating of Baba Puran Dass Financials Services Limited (BPDFSL) under the 'issuer non-cooperating' category vide its press release dated March 15, 2018, as BPDFSL had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. BPDFSL continues to be non-cooperative despite repeated requests for submission of information through phone calls and emails dated August 20, 2024, August 10, 2024, and July 31, 2024. In line with the extant SEBI guidelines, CARE Ratings has reviewed the rating based on best available information, which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating.

***Users of this rating (including investors, lenders and public at large) are hence requested to exercise caution while using above rating(s).***

Reaffirmation in the rating assigned to BPDFSL factors in continued breach of the overdraft limit for over 30 days and non-availability of latest financials and other operational information.

**Analytical approach:** Standalone

**Outlook:** Negative

### Detailed description of key rating drivers:

#### Key weaknesses

##### Small scale of operations with high regional concentration

BPDFSL's scale of operations remains small, with loan portfolio of ₹5.09 crore as on March 31, 2023 (against ₹5.96 crore on March 31, 2022). The company had a single operating office, which was in Ludhiana (update not available).

##### Moderate income and profitability

BPDFSL's earning profile increased by 4% Y-o-Y, with total income of ₹1.10 crore in FY23 against total income of ₹1.06 crore in FY22.

#### Key strengths

##### Experienced promoters

Mohinder Pal Singh is the company's managing director and has industry experience of over three decades. Other directors include his wife, Chanchal Kaur, having industry experience of over two decades.

#### Applicable criteria

[Definition of Default](#)

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

[Non Banking Financial Companies](#)
**About the company and industry**
**Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

Incorporated in 1995, BPDFSL is registered as a public deposit accepting NBFC with the Reserve Bank of India (RBI). The company is engaged primarily in lending for vehicle financing on hire and purchase basis. The company also provides loans for consumer durables including washing machines and television sets, among others.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	1.00	1.06	1.10
PAT	0.19	0.19	0.24
Interest coverage (times)	2.05	1.72	1.97
Total Assets	5.63	6.35	5.25
Net NPA (%)	NA	NA	NA
ROTA (%)	3.11	3.18	4.10

A: Audited UA: Unaudited; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:**

Per its PR dated June 25, 2021, Infomerics Ratings has placed BPDFSL in the Issuer Not Cooperating category as the company did not provide the relevant information for carrying out review. Ratings continue to be in Issuer Not Cooperating category, per PR dated October 19, 2023.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fixed Deposit (Proposed)		-	-	-	3.00	CARE C; Negative; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fixed Deposit (Proposed)	LT	3.00	CARE C; Negative; ISSUER NOT COOPERATING*	-	1)CARE C; Negative; ISSUER NOT COOPERATING* (15-Sep-23)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (22-Jun-22)	1)CARE BB-(FD); Stable; ISSUER NOT COOPERATING* (23-Sep-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fixed Deposit	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

## Contact us

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### About us:

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### Disclaimer:

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