

Better Value Leasing And Finance Limited

August 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	27.00	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 (CareEdge Ratings) has been seeking information from Better Value Leasing And Finance Limited (BVLFL) to monitor the rating(s) vide e-mail communications/letters dated April 29, 2025, April 30, 2025, and May 05, 2025, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. Aligning with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating based on best available information, which in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. Further, BVLFL has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The rating for BVLFL instruments will now be denoted as 'CARE C; Negative/Issuer not Cooperating'.

Analytical approach: Standalone

Outlook: Negative

Detailed description of key rating drivers:

At the time of last rating on May 30, 2024, following were rating strengths and weaknesses (updated with information available).

Key weaknesses

Reducing financial flexibility

BVLFL is promoted by the Gawande family, holding 88.27% equity as on March 31, 2019. The Gawande family has presence in businesses such as Talwalkar Better Value Fitness Limited (chain of gymnasiums – rated 'CARE D'), S K Restaurants Private Limited (chain of restaurants), Popular Prakashan Private Limited (publisher of books), Vans Information Limited (electronic database for research business), and Popular Institute of Art (arranger of art exhibitions).

Talwalkars Better Value Fitness Limited rating has been downgraded to 'CARE D' from 'CARE B' (Under Credit Watch with Negative Implications) as on August 02, 2019, considering default on certain interest payments. With default by the group's flagship company, its financial flexibility deteriorated. This is expected to impact BVLFL's financial flexibility and may find it difficult to raise resources from the market. NCLT has approved initiation of liquidation proceedings of corporate debtor on April 28, 2022, for Talwalkars Better Value Fitness Limited.

Deteriorating gearing levels

Being a NBFC-ND-Non-SI, BVLFL does not fall under minimum regulatory capital adequacy ratio (CAR) requirement of 15%. However, the regulatory limit of gearing is applicable to NBFC, which is 7x. The company crossed regulatory gearing level in FY18 with at 10.72x, which further increased to 21.73x on March 31, 2019, as the company's net worth is declining with rising debt.

The company had asked the Reserve Bank of India (RBI) for extension in timeline for reducing gearing in FY19 and per the discussion with management and information provided by the company, promoters have infused quasi equity of ₹8.07 crore considering this. However, there was no equity infusion in FY19 per the annual report.

Liquidity: Not applicable

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Non Banking Financial Companies](#)

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

About the company and industry

Industry classification

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

BVLFL was established in 1983 by the Gawande family as 'Better Value Leasing & Finance Private Limited'. In 1995, the company changed its name to 'Better Value Leasing And Finance Limited.' BVLFL is a NBFC registered with the RBI as a non-systemically important non-deposit taking NBFC. It has been classified as an 'Asset Financing Company (AFC)' and engaged in hire purchase (HP). The company offers equipment finance to small and medium enterprise (SME) clients with majority loan portfolio constituting financing of hotel industry/ kitchen equipment and gym equipment.

Brief Financials (₹ crore)	March 31, 2018 (A)	March 31, 2019 (A)	9MFY20 (UA)
Total operating income	19.46	20.04	NA
PAT	0.94	-4.45	NA
Interest coverage (times)	1.09	0.71	NA
Total Assets	140.15	183.67	NA
Net NPA (%)	0.00	0.00	NA
ROTA (%)	0.87	-2.75	NA

A: Audited UA: Unaudited; Note: these are latest available financial results; NA: Not available

Status of non-cooperation with previous CRA: Not applicable

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
Fund-based - LT-Cash Credit		-	-	-	27.00	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 2025-2026	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
1	Fund-based - LT-Cash Credit	LT	27.00	CARE C; Negative; ISSUER NOT COOPERATING*	-	1)CARE C; Negative; ISSUER NOT COOPERATING* (30-May-24)	1)CARE C; Negative; ISSUER NOT COOPERATING* (31-May-23)	1)CARE B; Negative; ISSUER NOT COOPERATING* (23-May-22)

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

LT: Long term;

Annexure-3: Detailed explanation of covenants of rated instruments/facilities**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple

Annexure-5: Lender details

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

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

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