

## Balaji Motors

April 27, 2022

### Ratings

| Facilities/Instruments       | Amount<br>(Rs. crore)   | Rating <sup>1</sup>   | Rating Action   |
|------------------------------|---|---|---|
| Long Term Bank Facilities    | 12.19   | CARE B; Stable;<br>ISSUER NOT COOPERATING*<br>(Single B; Outlook: Stable;<br>ISSUER NOT COOPERATING*) | Rating continues to remain under<br>ISSUER NOT COOPERATING<br>category and Revised from<br>CARE B+; Stable; (Single B Plus;<br>Outlook: Stable) |
| <b>Total Bank Facilities</b> | <b>12.19</b><br><b>(Rs. Twelve Crore and</b><br><b>Nineteen Lakhs Only)</b> |   |   |

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 05, 2021, placed the rating(s) of Balaji Motors (BM) under the 'issuer non-cooperating' category as BM had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. BM continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 22, 2021, January 01, 2022, January 11, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

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

The rating assigned to the bank facilities of BM have been revised on account of non-availability of requisite information.

### Detailed description of the key rating drivers

Please refer to PR dated [February 05, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Firm

Jagdalpur, Chhattisgarh based, Balaji Motors (BM) was established as a partnership firm in February 01, 2015. The firm is an authorised dealer of Mahindra and Mahindra Limited (M&M) for its passenger cars, commercial vehicles and spares & accessories. The showroom of the firm is located at five different places in the state of Chhattisgarh [i.e. 1) Jagdalpur, 2) NH-16 Geedam Road, 3) Near C.W.S NMDC Nandraj petrol pump, 4) Samrtanagar, 5) Vandana Complex] and workshop location at Jagdalpur, Bachel and near CRPF Batalion where it also provides repair and refurbishment services for its all range of vehicles. Moreover, the firm has availed moratorium on interest repayment of cash credit as well as EMI's repayment of term loan from March 2020 to August 2020 from its lender as per the RBI circular.

| Brief Financials (Rs. crore) | 31-03-2020(A) | 31-03-2021(A) | 31-03-2022 (Prov.) |
|------------------------------|---------------|---------------|--------------------|
| Total operating income       | NA            | NA            | NA                 |
| PBILDT                       | NA            | NA            | NA                 |
| PAT                          | NA            | NA            | NA                 |
| Overall gearing (times)      | NA            | NA            | NA                 |
| Interest coverage (times)    | NA            | NA            | NA                 |

A: Audited; Prov.: Provisional; NA: Not Available

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

**Status of non-cooperation with previous CRA:** ICRA has put the rating assigned to the bank facilities of BM into Issuer Not Cooperating category vide press release dated March 23, 2022 on account of its inability to carry out a review in the absence of the requisite information from the firm.

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure- 3

**Complexity level of various instruments rated for this firm:** Annexure- 4

#### Annexure-1: Details of Instruments / Facilities

| Name of the Instrument      | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan   |      | -                | -           | March 2029    | 5.19                          | CARE B; Stable; ISSUER NOT COOPERATING*   |
| Fund-based - LT-Cash Credit |      | -                | -           | -             | 7.00                          | CARE B; Stable; ISSUER NOT COOPERATING*   |

\*Issuer did not cooperate; Based on best available information

#### Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument / Bank Facilities | Current Ratings |                                |  | Rating history                            |   |  |   |
|---------|--|-----------------|--------------------------------|--|---|---|--|---|
|         |  | Type            | Amount Outstanding (Rs. crore) | Rating                                   | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021              | Date(s) & Rating(s) assigned in 2019-2020   |
| 1       | Fund-based - LT-Term Loan                | LT              | 5.19                           | CARE B; Stable; ISSUER NOT COOPERATING * | -   | -   | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-Feb-21) | 1)CARE BB-; Stable (12-Nov-19)<br>2)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Aug-19) |
| 2       | Fund-based - LT-Cash Credit              | LT              | 7.00                           | CARE B; Stable; ISSUER NOT COOPERATING * | -   | -   | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-Feb-21) | 1)CARE BB-; Stable (12-Nov-19)<br>2)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Aug-19) |

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

#### Annexure 4: Complexity level of various instruments rated for this firm

| Sr. No | Name of instrument          | Complexity level |
|--------|-----------------------------|------------------|
| 1      | Fund-based - LT-Cash Credit | Simple           |
| 2      | Fund-based - LT-Term Loan   | Simple           |

#### Annexure 5: Bank Lender Details for this Firm

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

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

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### About CARE Ratings:

Established in 1993, CARE Ratings Ltd is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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