

Bajaj Electricals Limited

April 22, 2020

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial Paper	-	-	Withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding rating of CARE A1 (A One) assigned to the Commercial Paper (CP) issue of **Bajaj Electricals Limited (BEL)** with immediate effect, as there is no amount outstanding under the issue as on date. The above action has been taken at the request of BEL as it has no plans to raise funds through CP in near future.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

The company was incorporated as Radio Lamp Works in 1938, and changed its name to Bajaj Electricals Limited (BEL) in 1960, and has businesses spread across Consumer Products and Engineering & Projects business (E&P). Bajaj Electricals has 20 branch offices spread in different parts of the country besides being supported by a chain of distributors, authorized dealers, retail outlets, exclusive showrooms called 'Bajaj World' and approximately 540 customer care centers. The company currently serves nearly 679 districts with 501 distributors catering to more than 215,000 retailers. Its manufacturing/assembling units are located at Ranjangaon and Chakan.

Brief Financials- (Consolidated (Rs. Crore))	FY18 (A)	FY19 (A)	9MFY20(UA)
Total operating income	4731.17	6712.12	3715.81
PBILDT	327.89	380.39	200.22
PAT	83.63	153.58	(9.47)
Overall gearing (times)	0.79	1.59	--
Interest coverage (times)	5.57	3.23	1.49

A: Audited, UA= Unaudited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper	-	-	-	0.00	Withdrawn

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 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Commercial Paper	ST	-	Withdrawn	-	1)CARE A1 (01-Aug-19)	1)CARE A1+ (20-Dec-18)	1)CARE A1+ (29-Dec-17)

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact-1

Group Head Name: Mr. Kunal B Shah

Contact No: +91-22-6754 3451

Email ID- kunab.shah@careratings.com

Analyst Contact-2

Rating Head Name: Mr. P.S. Bhagavath

Contact No: +91-22-6754 3407

Email ID- ps.bhagavath@careratings.com

Relationship Contact

Name: Mr. Saikat Roy

Contact no. +91-22-6754 3404

Email ID: saikat.roy@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**