

September 30, 2020

Bajaj Capital Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based/CC	3.50	0.00	[ICRA]BBB- (Stable); withdrawn
Long Term – Fund Based TL	20.75	0.00	[ICRA]BBB- (Stable); withdrawn
Long Term – Unallocated	0.75	0.00	[ICRA]BBB- (Stable); withdrawn
Total	25.00	0.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating of [ICRA]BBB- (pronounced ICRA triple B minus) with a Stable outlook outstanding for the Rs. 25-crore line of credit of Bajaj Capital Limited. The rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension, at the request of the entity and based on the no-objection certificate provided by the lenders. ICRA does not have adequate information to suggest that the credit risk has changed since the time the rating was last reviewed.

[Link to last full press release](#)

Key rating drivers and their description

Key rating drivers have not been captured as the rated instrument is being withdrawn.

Liquidity position

Liquidity position has not been captured as the rated instrument is being withdrawn.

Rating sensitivities

Rating sensitivities have not been captured as the rated instrument is being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation/Standalone	Consolidated business and financial profile of Bajaj Capital Limited (BCL) and its Group company, Bajaj Capital Insurance Broking Limited (BCIBL), referred to as the Bajaj Group consolidated

About the company

Bajaj Capital Limited (BCL) is a part of the Bajaj Capital Group of companies. The Group is engaged in investment advisory, financial planning and the distribution of financial products such as insurance, mutual funds, fixed income instruments and stock broking. The Group was promoted by Mr. K.K. Bajaj and commenced operations in 1964. In

FY2020, the Bajaj Group consolidated (BCL and BCIBL) reported a net profit of Rs. 5.49 crore on a total asset base of Rs. 188.85 crore compared to a net profit of Rs.20.85 crore on a total asset base of Rs. 156.91 crore in FY2019.

Key financial indicators (consolidated*)

	FY2019 Audited	FY2020 Provisional
Total Income	232.13	246.14
PAT	20.85	5.49
Net worth	85.60	91.73
Return on Assets	15.60%	3.18%
Return on Net worth	27.73%	6.19%
Gearing (times)	0.26	0.49
Total Assets	156.91	188.85

Source: BCL, ICRA research; Amount in Rs. crore; *Includes BCL Standalone and BCIBL Standalone

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years		
	Type	Amount Rated	Amount Outstanding	Rating 30-Sep-20	FY2020 28-Jun-19	FY2019 -	FY2018 29-Dec-17
1 Long Term - Cash Credit	Long Term	3.50	0.00	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	-	[ICRA]BBB (Stable)
2 Long Term - Term Loan	Long Term	20.75	0.00	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	-	[ICRA]BBB (Stable)
3 Long Term - Unallocated	Long Term	0.75	0.00	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	-	[ICRA]BBB (Stable)

Source: ICRA research; Amount in Rs. crore

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	07-Jul-16	NA	NA	3.50	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 1	16-Dec-16	NA	16-Dec-17	0.45	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 2	05-Jan-16	NA	05-Jan-26	3.00	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 3	26-Mar-08	NA	26-Mar-24	3.50	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 4	30-Nov-17	NA	28-Nov-18	2.28	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 5	NA	NA	NA	1.52	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan Proposed	NA	NA	NA	10.00	[ICRA]BBB- (Stable); withdrawn
NA	Proposed bank lines	NA	NA	NA	0.75	[ICRA]BBB- (Stable); withdrawn

Source: ICRA

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Bajaj Capital Limited	Rated Entity	Rated Entity
Bajaj Capital Insurance Broking Limited	Group Entity	Full Consolidation

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