



Press Release
Selvaganpathy Leasing and Finance Limited
August 14, 2024
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Fixed Deposits (FD)	3.00	ACUITE B- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	3.00	-	-

Rating Rationale

Acuite has Downgraded the long-term rating to '**ACUITE B-**' (read as **ACUITE B Minus**) from '**ACUITE B**' (read as **ACUITE B**) on the Rs. 3.00 crore fixed deposits of Selvaganpathy Leasing and Finance Limited (SLFL). The rating continues to be flagged as "Issuer Not Co-operating" and is based on the best available information. The rating is downgraded on account of information risk.

About the Company

Selvaganpathy Leasing and Finance Limited (SLFL) and its directors are Beerana Purushothaman Suresh, Beerana Purushothaman Sundar, Beerana Perumal Chettiar Purushothaman, Lingasamy Balu, Beerana Udaykumar Prasanth, Lakshmanan Indirani, Krishnaswamy Kuppuswamy, Beerana Perumal Chettiar Udayakumar and Kosanam Selvaraj Senthilkumar, incorporated in 1994, is a Tamil Nadu-based Non-Banking Finance Company (NBFC) engaged in vehicle financing (two, three and four-wheelers).

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials :

Particulars	Unit	FY22 (Actual)	FY21 (Actual)
Total Assets	Rs. Cr.	8.01	7.61
Total Income*	Rs. Cr.	1.41	1.37
PAT	Rs. Cr.	0.21	0.24
Net Worth	Rs. Cr.	5.49	5.31
Return on Average Assets (RoAA)	(%)	2.66	3.14
Return on Average Net Worth (RoNW)	(%)	3.85	4.52
Debt/Equity	Times	0.40	0.37
Gross NPA	(%)	-	-
Net NPA	(%)	-	-

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Aug 2023	Fixed Deposit Program	Long Term	3.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
19 Aug 2022	Fixed Deposit Program	Long Term	3.00	ACUITE B (Reaffirmed & Issuer not co-operating*)
20 Aug 2021	Fixed Deposit Program	Long Term	3.00	ACUITE FB (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not avl. / Not appl.	Fixed Deposit Program	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B)

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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