



Press Release
VEDIKA CREDIT CAPITAL LIMITED
March 12, 2025
Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	22.90	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	22.90	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) on the Rs. 22.90 crore Non Convertible Debentures of Vedika Credit Capital Limited (VCCL). The rating is now flagged as "Issuer Not-Cooperating" and is based on the best available information. The downgrade is on account of information risk

About the Company

Jharkhand based VCCL, is a Non-Banking Finance Company (NBFC) Micro Finance Institution (MFI) primarily engaged in extending Micro loans to women borrowers under the Joint Liability Group Model since 2007. The company has presence in 7 states, primarily in eastern India through a network of 192 branches as on December 31, 2023. The company was originally incorporated in 1995 by a different set of owners and subsequently, the company was taken over in 2004 by the present promoters, Mr. Ummed Jain (Chairman) and his sons, Mr. Gautam Jain and Mr. Vikram Jain. Mr. Gautam Jain (Managing Director) and Mr. Vikram Jain (Whole time Director) was initially engaged in traditional financing and gradually instrumented his aim to transform his lending operations into a recognized and regulated NBFC-MFI - VCCL. The promoters are engaged in two wheeler financing through Vedika Fincorp Limited, a group company of VCCL.

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 Acuite's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management

interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

ESG Factors Relevant for Rating

Vedika Credit Capital Limited (VCCL) belongs to the NBFC sector which complements bank lending in India. Some of the material governance issues for the financial services sector are policies and practices with regard to

business ethics, board diversity and independence, compensation structure for board and KMPs, role of the audit committee and shareholders' rights. On the social aspect, some of the critical issues for the sector are the contributions to financial inclusion and community development, responsible financing including environmentally friendly projects and policies around data privacy. The industry, by nature has a low exposure to environmental risks. In terms of its business ethics, performance, the entity has maintained adequate disclosure regarding its Grievance Redressal, related party compliance and fair practice code. The board of directors of the company comprise of 2 independent directors out of a total of 6 directors with no female director. The entity has an audit committee, nomination and remuneration committee and corporate social responsibility committee. As per Reserve Bank of India (RBI) guidelines, the NBFC has an IT policy to oversee its cybersecurity. VCCL has also maintained disclosures regarding remuneration of its directors and key managerial personnel (KMP). VCCL aims to empower entrepreneurs that have limited access to the banking sector in India, hence making an economic contribution by way of financial inclusion. It continues to work on several community development initiatives through its corporate social responsibility projects.

Rating Sensitivities

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

All Covenants

Financial Covenants not available

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	FY24 (Actual)	FY23 (Actual)
Total Assets	Rs. Cr.	1174.84	916.64
Total Income*	Rs. Cr.	111.57	81.07
PAT	Rs. Cr.	27.86	17.01
Net Worth	Rs. Cr.	205.30	157.26
Return on Average Assets (RoAA)	(%)	2.66	2.03
Return on Average Net Worth (RoNW)	(%)	15.37	12.99
Total Debt/Tangible Net worth (Gearing)	Times	4.59	4.68
Gross NPA	(%)	NA	0.89
Net NPA	(%)	NA	0

* Total income equals to Net interest income plus other income

Status of non-cooperation with previous CRA

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Although Acuite requested an interaction with the Audit Committee the issuer entity was unable to arrange it.

Any other information

None

Applicable Criteria

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

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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
19 Mar 2024	Non-Convertible Debentures (NCD)	Long Term	22.90	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	7.10	ACUITE Not Applicable (Withdrawn)
	Non-Convertible Debentures (NCD)	Long Term	20.00	ACUITE Not Applicable (Withdrawn)
20 Mar 2023	Term Loan	Long Term	38.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	62.85	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	13.67	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	5.37	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	5.84	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	0.64	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	2.22	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	8.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	15.66	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	2.92	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	36.58	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	0.11	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	0.47	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Proposed Long Term Bank Facility	Long Term	182.84	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	11.84	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	17.50	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	6.39	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	15.33	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	11.72	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	20.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	15.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	3.54	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	9.53	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	9.17	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	10.14	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	51.91	ACUITE BBB+ (Reaffirmed & Withdrawn)

	Term Loan	Long Term	22.81	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	5.72	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	11.78	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	17.48	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	13.75	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	14.38	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	20.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	48.00	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	21.71	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Term Loan	Long Term	17.13	ACUITE BBB+ (Reaffirmed & Withdrawn)
	Proposed Non Convertible Debentures	Long Term	30.00	ACUITE BBB+ Stable (Reaffirmed)
	Non-Convertible Debentures (NCD)	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	30.00	ACUITE BBB+ Stable (Reaffirmed)
02 Jan	Non-Convertible Debentures (NCD)	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	5.37	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	5.84	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	0.64	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.22	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	8.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	15.66	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.92	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	36.58	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	0.11	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	0.47	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	182.84	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	11.84	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	17.50	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	6.39	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	15.33	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	11.72	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
		Long		

2023	Term Loan	Term	15.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	3.54	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	9.53	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	9.17	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	10.14	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	51.91	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	22.81	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	5.72	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	11.78	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	17.48	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	13.75	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	14.38	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	48.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	38.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	62.85	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	13.67	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	21.71	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	17.13	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Commercial Paper Program	Short Term	30.00	ACUITE A2 (Upgraded & Withdrawn from ACUITE A3+)
	Proposed Non Convertible Debentures	Short Term	50.00	ACUITE A2 (Upgraded & Withdrawn from ACUITE A3+)
	Term Loan	Long Term	25.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	10.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	10.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	29.17	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Special Liquidity Scheme	Long Term	20.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Proposed Long Term Loan	Long Term	75.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	60.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	50.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long	30.00	ACUITE BBB+ Stable (Assigned)

03 Jan 2022	Proposed Non Convertible Debentures	Long Term	50.00	ACUITE BBB+ (Upgraded & Withdrawn from ACUITE BBB Stable)
	Term Loan	Long Term	25.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	100.00	ACUITE BBB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	54.85	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	6.67	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	5.65	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	2.68	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	1.79	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	69.03	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	3.85	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	5.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	5.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	25.01	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	1.46	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	14.12	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	20.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	4.17	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	1.76	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	19.77	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	9.62	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Special Liquidity Scheme	Long Term	20.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	13.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Term Loan	Long Term	2.40	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Non-Convertible Debentures (NCD)	Long Term	20.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)
	Proposed Non Convertible Debentures	Long Term	30.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	INE04HY07021	Non-Convertible Debentures (NCD)	08 Apr 2022	11.42	08 Dec 2025	22.90	Simple	ACUTE BB+ Downgraded Issuer not co-operating* (from ACUTE BBB+)

** The issuer did not co-operate; based on best available information.*

Contacts

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About Acuité Ratings & Research

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