

Press Release



MSM Micro Finance Limited

November 01, 2019

Rating Update

Total Bank Facilities Rated*	Rs. 24.50 Cr #
Long Term Rating	ACUITE BB- Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long term rating of '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs. 24.50 crore bank facilities of MSM Micro Finance Limited (MSM). This rating is now an indicative rating and is based on best available information.

MSM Microfinance Limited (MSM), incorporated in 1996, is engaged in the financing of income generating agricultural activities in Tamil Nadu, Gujarat and Madhya Pradesh. The company is also a partnership model for several non-banking finance companies such as MAS Financial Services Limited, Equitas Finance Limited and Ananya Finance Limited. MSM originates loans on behalf of these NBFCs and is responsible for credit appraisal, monitoring and collections of receivables from the portfolio.

Non-cooperation by the issuer/borrower:

Acuité 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 due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Non-Banking Finance Entities - <https://www.acuite.in/view-rating-criteria-44.htm>

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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
14 August, 2018	Proposed Bank Facility	Long Term	4.50	ACUITE BB- Issuer not co-operating*
	Proposed	Long Term	20.00	ACUITE BB- Issuer not co-operating*

28 June, 2017	Proposed Bank Facility	Long Term	4.50	ACUITE BB-/Stable (Assigned)
	Proposed	Long Term	20.00	ACUITE BB-/Stable (Assigned))

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	4.50	ACUITE BB- Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB- Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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