

## Press Release

### Innovative Microfinance For Poverty Alleviation And Community Tran

August 29, 2022



#### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	34.80	ACUITE B   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	34.80	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

#### Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE B' (read as ACUITE B)** on the Rs.34.80 crore bank facilities of Innovative Microfinance for Poverty Alleviation and Community Transformation (IMPACT). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

#### About the Company

Established in 2004, IMPACT is a Tamil Nadu-based company classified under section 8 of The Companies Act, 2013. IMPACT focuses on activities related to empowerment of women and provides training to self-help groups apart from micro finance lending. The company operates across Tamil Nadu, Kerala, Chhattisgarh and Uttar Pradesh. The Company headed by Mr Suvisedagan Aruliah, Chief Executive Officer and with Mr Cherian Thomas as Chair of the Board. The Directors of IMPACT are Mr Baby Jomon, Mr Madhav Durga Bellamkonda, Ms Benita Grace Paul Nangia, Mr Senthappan Umamaheswaran and Ms Lisha John.

#### 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 the due date.

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

#### 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.

### Rating Sensitivity

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

### Material Covenants

Not Applicable.

### Liquidity Position

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

### Outlook

Not Applicable.

### Status of non-cooperation with previous CRA

Not Applicable.

### Any other information

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

### 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>

### Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Jun 2021	Term Loan	Long Term	9.54	ACUITE B ( Issuer not co-operating*)
	Term Loan	Long Term	9.50	ACUITE B ( Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE B ( Issuer not co-operating*)
	Term Loan	Long Term	3.75	ACUITE B ( Issuer not co-operating*)
	Term Loan	Long Term	2.00	ACUITE B ( Issuer not co-operating*)
	Proposed Bank Facility	Long Term	0.01	ACUITE B ( Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE B ( Issuer not co-operating*)
09 Mar 2020	Term Loan	Long Term	5.00	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.00	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	9.54	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	9.50	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE B (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	3.75	ACUITE B (Downgraded and Issuer not co-operating*)

	Proposed Bank Facility	Long Term	0.01	ACUITE B (Downgraded and Issuer not co-operating*)
04 Jan 2019	Term Loan	Long Term	5.00	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE B+   Stable (Assigned)
	Term Loan	Long Term	9.50	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	9.54	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	3.75	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE B+   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.01	ACUITE B+   Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE B+   Stable (Withdrawn)
08 Jan 2018	Term Loan	Long Term	2.50	ACUITE B+   Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE B+   Stable (Assigned)
	Term Loan	Long Term	2.00	ACUITE B+   Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE B+   Stable (Assigned)
		Long		
	Term Loan	Term	5.00	ACUITE B+   Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE B+   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.01	ACUITE B   Reaffirmed   Issuer not co-operating*
Pallavan Grama Bank	Not Applicable	Term Loan	Not available	Not available	Not available	3.75	ACUITE B   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	9.54	ACUITE B   Reaffirmed   Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	9.50	ACUITE B   Reaffirmed   Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	5.00	ACUITE B   Reaffirmed   Issuer not co-operating*
Federal Bank	Not Applicable	Term Loan	Not available	Not available	Not available	2.00	ACUITE B   Reaffirmed   Issuer not co-operating*
South Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	5.00	ACUITE B   Reaffirmed   Issuer not co-operating*

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>  Radhika Kolwankar Junior Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:radhika.kolwankar@acuite.in">radhika.kolwankar@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### 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.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.