

Press Release



Magilchi Foundation

September 22, 2021

Rating Withdrawn

Total Bank Facilities Rated*	Rs. 5.00 crore
Long Term Rating	ACUITE B (Indicative and Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE B**' (**read as ACUITE B**) on the Rs. 5.00 crore proposed bank facilities of Magilchi Foundation. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating is being withdrawn on account of request received from the company as per Acuite's withdrawal policy.

About the Entity

Magilchi Foundation (MF), incorporated in 2012, is a Madurai, Tamil Nadu based non-profit, non-banking financial institution registered under The Indian Trust Act, 1882. MF offers unsecured income generation loans (IGL) under joint liability group (JLG) model and other financial products to the economically weaker section (EWS) women in Madurai, Tamil Nadu. It is promoted by Mr. Arun Meena and Varathan Kesavan.

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

Analytical Approach

Acuité has considered the standalone financial and business risk profiles of the entity to arrive at the rating.

Applicable Criteria

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

Note on complexity levels of the rated instrument

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

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

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

About the Rated Entity - Key Financials (Standalone)

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

Status of non-cooperation with previous CRA

Not Applicable

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount	Ratings/Outlook
			(Rs. Crore)	
16- February-2021	Proposed Banking Facility	Long term	5.00	ACUITE B Issuer not co-operating
12 -December-2019	Proposed Banking Facility	Long term	5.00	ACUITE B Issuer not co-operating
12-October-2018	Proposed Banking Facility	Long term	5.00	ACUITE B/ Stable (Assigned)

*Annexure – Details of instruments rated

Lender's Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Not Applicable	Proposed Banking Facility	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B (Indicative and Withdrawn)

Contacts

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About Acuité Ratings & Research

Acuité Ratings & Research 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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