



**Press Release**  
**People's Action For Transformation**  
**August 26, 2024**  
**Rating Downgraded and Issuer not co-operating**

| Product                               | Quantum<br>(Rs. Cr) | Long Term Rating                                      | Short Term<br>Rating |
|---------------------------------------|---------------------|---|----------------------|
| Bank Loan Ratings                     | 50.00               | ACUITE BB-   Downgraded   Issuer<br>not co-operating* | -                    |
| Total Outstanding<br>Quantum (Rs. Cr) | 50.00               | -   | -                    |

**Rating Rationale**

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) on the Rs.50.00 Cr. bank facilities of Peoples Action for Transformation (PAT) on account of information risk. The rating continues to be flagged as "issue not co-operating" and is based on best available information.

**About the Company**

Tamil Nadu-based, Peoples Action for Transformation (PAT) is a Non-governmental Organisation-Micro Finance Institution (NGOMFI) registered with Indian Trust Act in 1997 and also a member of Sa-dhan, since 2007. It is promoted by Mr. Stephen Francis Xavier. The trust is engaged in micro financing activities since 2003 and its micro finance activities are directed to the benefit of women groups/individual for enhancement of their livelihoods. As of March 31, 2020, PAT has a network of sixteen branches spread across eleven districts of Tamil Nadu.

**Unsupported Rating**

Not Applicable

**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 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.

## 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."

## Liquidity Position

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

## Outlook

Not Applicable

## Other Factors affecting Rating

None

## 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. 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](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities   | Term      | Amount (Rs. Cr) | Rating/Outlook                                    |
|-------------|----------------------------------|-----------|-----------------|---|
| 29 May 2023 | Term Loan                        | Long Term | 1.03            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Proposed Long Term Bank Facility | Long Term | 42.08           | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 1.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 3.08            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 2.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 0.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
| 03 Mar 2022 | Term Loan                        | Long Term | 2.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 0.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 1.03            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Proposed Long Term Loan          | Long Term | 42.08           | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 1.27            | ACUITE BB (Reaffirmed & Issuer not co-operating*) |
|             | Term Loan                        | Long Term | 3.08            | ACUITE BB (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. | Proposed Long Term Bank Facility | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 42.08             | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |
| Indian Bank                                      | Not avl. / Not appl. | Term Loan                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 1.27              | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |
| Indian Overseas Bank                             | Not avl. / Not appl. | Term Loan                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 3.08              | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |
| Ananya Finance For Inclusive Growth Private Ltd. | Not avl. / Not appl. | Term Loan                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 2.27              | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |
| UCO Bank   | Not avl. / Not appl. | Term Loan                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 0.27              | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |
| Union Bank of India                              | Not avl. / Not appl. | Term Loan                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 1.03              | ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB ) |

## Contacts

| Analytical   | Rating Desk   |
|--|---|
| Mohit Jain<br>Senior Vice President-Rating Operations<br>Tel: 022-49294017<br><a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a><br><br>Sahil Sawant<br>Associate Analyst-Rating Operations<br>Tel: 022-49294065<br><a href="mailto:sahil.sawant@acuite.in">sahil.sawant@acuite.in</a> | Varsha Bist<br>Associate Vice President-Rating<br>Administration<br>Tel: 022-49294011<br><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.

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