



Press Release
Metrocity Finance Private Limited
August 30, 2024
Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	10.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating to '**ACUITE BB-' (read as ACUITE double B plus)**' on the Rs. 10.00 Cr. Bank Loan facility of Metrocity Finance Private Limited. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best information available.

About the Company

Rajasthan-based, Metrocity Finance Private Limited (MFPL) was incorporated in 2015 by Mr. Vipul Setia (Managing Director). Mr. Setia has over a decade of experience in asset financing through family owned NBFCs like SK Finance Limited and Setia Auto Finance. The company is engaged in commercial vehicles financing and Loan against property (LAP), wherein the target borrower base is SMEs.

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

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 endeavoured 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.

Rating Sensitivities

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.

Key Financials:

Particulars	Unit	FY24 (Actual)	FY23(Actual)
Total Assets	Rs. Cr.	36.11	23.99
Total Income*	Rs. Cr.	3.43	2.42
PAT	Rs. Cr.	0.82	0.58
Net Worth	Rs. Cr.	8.42	6.52
Return on Average Assets (RoAA)	(%)	2.73	2.98
Return on Average Net Worth (RoNW)	(%)	10.98	9.22
Debt/Equity	Times	3.10	2.49
Gross NPA (Owned portfolio)	(%)	2.15	1.55
Net NPA (Owned portfolio)	(%)	1.83	1.27

**Total income equals to Net Interest Income plus other income*

Status of non-cooperation with previous CRA

Not Applicable.

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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Jun 2023	Proposed Long Term Bank Facility	Long Term	4.37	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	5.63	ACUITE BB- Stable (Reaffirmed)
04 Mar 2022	Proposed Long Term Bank Facility	Long Term	10.00	ACUITE BB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not avl. / Not appl.	Term Loan	31 Aug 2023	Not avl. / Not appl.	01 Aug 2027	Simple	8.62	ACUITE BB- Reaffirmed Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Term Loan	29 Sep 2022	Not avl. / Not appl.	01 Dec 2026	Simple	1.38	ACUITE BB- Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in Tejas Chaugule Associate Analyst-Rating Operations Tel: 022-49294065 tejas.chaugule@acuite.in	Varsha Bist Associate Vice President-Rating Administration Tel: 022-49294011 rating.desk@acuite.in

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) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.