

## Press Release

Sarala Development and Microfinance Private Limited

August 19, 2022

## Rating Downgraded



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	250.00	ACUITE BB+   Stable   Downgraded	-
Total Outstanding Quantum (Rs. Cr)	250.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

## Rating Rationale

Acuite has downgraded the long term rating to **ACUITE 'BB+' (read as ACUITE Double B Plus)** from **ACUITE BBB-(read as ACUITE triple B minus)** on the Rs.250.00 Cr. bank facilities of Sarala Development and Microfinance Private Limited (SDMPL). The outlook is **'Stable'**.

### Reason for downgrade

The revision in the rating is primarily on account of asset quality stress and its resultant impact on the credit and financial profile of the company. SDMPL continued to report higher delinquencies; 90+dpd stood at 6.79 percent as on March 31, 2022 as compared to 12.51 percent as on March 31, 2021. The 90+ dpd has further deteriorated to 8.38 percent as on June 30, 2022. SDMPL had also restructured loans amounting to Rs 64 Cr during FY2022. The rating is also constrained due to geographically concentrated portfolio with West Bengal and Bihar together comprising 93 percent and balance 7 percent spread across Assam, Jharkhand and Sikkim. Furthermore, earning profile remained subdued as reflected in Profit After Tax (PAT) of Rs. 0.87Cr during FY2022 as against Rs 0.69 Cr. during FY2021 on account of lower disbursements and stagnant Assets Under Management (AUM). AUM stood at Rs.196.89 Cr. as on March 31, 2022 as against Rs 194.77 Cr. as on March 31, 2021. The AUM has further declined to Rs 179.12 Cr as on June 30, 2022. The rating continues to derive strength from SMFL's established track record of operations in the microfinance lending of over a decade along with the support of the experienced management team. The rating also derives strength from its adequate capitalisation levels (33.25 percent as on March 31, 2022) and moderate gearing levels (2.54 times as on March 31, 2022)

### About the company

Kolkata based SDMPL (erstwhile Unnati Trading and Fincon Pvt. Limited – incorporated in 1992) is an RBI registered non-systemically important NBFC-MFI. The company is engaged in extending microfinance loans to woman borrowers organized in Joint Liability Groups since 2014. SDMPL is co-promoted by Dr. Arabinda Kumar Sinha (Chairman) and Mr. Pranab Rakshit (Managing Director). Dr. Sinha forayed in the microfinance space in 2006 through Sarala Women's Welfare Society (SWWS) which is a not for profit entity, constituted under Section 25 of the Indian Companies Act 1956, (now Section 8 of the Indian Companies Act 2013). Later in 2010, SWWS acquired Unnati Trading and Fincon Private Limited, changed its name to SDMPL and it was registered as an NBFC-MFI with RBI in 2014. SWWS operations were transferred to SDMPL with an objective to transform the microfinance operations under a recognized and

regulated NBFCMFI. Presently the day to day operations of the company are managed by Mr. Pranab Rakshit who has over a decade of experience in financial services.

SDMPL operates through a network of 86 branches as on March 31, 2022 spread across five states, namely, West Bengal, Bihar, Assam, Sikkim and Jharkhand

### **Analytical Approach**

Acuité has considered the standalone financial and business risk profile of SDMPL to arrive at the rating.

### **Key Rating Drivers**

#### **Strength**

##### **Established experience in microfinance lending:**

SDMPL is engaged in extending micro credit to women entrepreneurs in the rural areas of eastern and north eastern part of the India under Joint Liability group (JLG) model. SDMPL has moderately diversified its geographical presence beyond West Bengal to other states like Bihar, Assam, Jharkhand and Sikkim. The Company operates through a network of 86 branches spread across all these states as on March 31, 2022. SDMPL's AUM stood at Rs. 196.45 Cr. as on March 31, 2022 (Rs 194.77 Cr. as on March 31, 2021). On-book exposure constitutes around 77 percent of the AUM and off-book exposure around 23 percent. The company is engaged in a business correspondent relationship with IDBI Bank Limited.

The company is promoted by Dr. Arabinda Kumar Sinha (Chairman) and Mr. Pranab Rakshit (Managing Director). Its board comprises 7 members led by Dr. Arabinda Kumar Sinha (Chairman). The members of the board have over two decades of experience in banking and financial services. The day to day operations of the company are managed by Mr. Pranab Rakshit (Managing Director). He was on the Board of SA-DHAN for four years, one of the Self-Regulatory Organizations for Microfinance Institution in the country and currently the Vice President of AMFI-WB, an Association of Microfinance Institutions of West Bengal.

Acuité believes that the operations of SDMPL's will be supported by established presence and experienced management.

##### **Adequate capitalisation and gearing levels**

SDMPL's capital structure is marked by networth of Rs. 44.50 Cr. as on March 31, 2022 (Rs. 43.63 Cr. as on March 31, 2021) and a gearing of 2.54 times as on March 31, 2022 (2.80 times as on March 31, 2021). The company has adequate capitalization levels marked by Capital Adequacy Ratio (CAR) at 33.25 percent as on March 31, 2022 from 30.07 percent as on March 31, 2021 mainly due to decline in AUM.

Acuité believes that the company's comfortable capitalization levels will support its growth plans over the medium term.

#### **Weakness**

##### **Challenges to grow the portfolio and stressed asset quality**

SDMPL primarily extends micro finance loans to borrowers with lack of access to formal credit in the rural areas in eastern and north eastern region, primarily in West Bengal and Bihar through the JLG model. Given the credit profile of microfinance borrowers, any impact on the income flow of these households as a result of economic shocks could impair their repayment ability. SDMPL's AUM grew marginally to Rs.196.89 Cr. as on March 31, 2022 from Rs 194.77 Cr. as on March 31, 2021. However the AUM has declined to Rs 179.12 Cr as on June 30, 2022. Disbursements stood at Rs 257 Cr. during FY2022 (~Rs 198 Cr. during FY2021). Additionally, SDMPL continued to report higher delinquencies; 90+dpd stood at 6.79 percent as on March 31, 2022 as compared to 12.51 percent as on March 31, 2021. The 90+ dpd has further deteriorated to 8.38 percent as on June 30, 2022. Furthermore, fairly geographically concentrated portfolio also poses risk to asset quality.

Acuité believes, going forward, the ability of the company to maintain stable asset quality in the light of continuously evolving economic scenario will be a key monitorable.

### Weak earnings profile

Profitability metrics remained subdued as reflected in Profit After Tax (PAT) of Rs. 0.87 Cr during FY2022 as against Rs 0.69 Cr. during FY2021. SDMPL's RoAA stood at 0.50 percent FY2022 as against 0.32 percent for FY2021. The low RoAA was on account of higher write offs and provisions of Rs 8.25 Cr during FY2022 as against Rs 11.08 Cr during FY2021. SDMPL had also restructured loans amounting to Rs 64 Cr during FY2022. The restructured loan book has an outstanding balance of ~Rs. 18 Cr. as on July 31, 2022.

Acuité believes the risk of potential increase in credit losses in the near-to-medium term, profitability will remain a key monitorable.

### Rating Sensitivity

- Movement in capital structure and gearing levels
- Movement in asset quality and profitability metrics
- Changes in regulatory environment
- Movement in liquidity buffers

### Material Covenants

SDMPL is subject to covenants stipulated by its lenders/investors in respect of various parameters like capital structure, asset quality among others.

### Liquidity Position Adequate

SDMPL has well matched profile as on March 31, 2022 with no negative cumulative mismatches reported across time buckets. It reported cash and cash equivalents of Rs 4.91 Cr. as on March 31, 2022. Acuité takes note that the company's ability to raise fresh funds in a timely manner will be important from a liquidity perspective.

### Outlook - Stable

Acuité believes that SDMPL will benefit from its experienced promoters and management team and comfortable capitalisation buffers. The outlook may be revised to 'Positive' if there is significantly higher than expected growth in AUM while maintaining asset quality and improving profitability metrics. Conversely, the outlook may be revised to 'Negative' in case of significant deterioration in asset quality, profitability parameters or case of challenges faced in raising fresh capital shall lead to a negative rating bias.

### Key Financials - Standalone / Originator

Particulars	Unit	FY22 (Actual)	FY21(Actual)
Total Assets	Rs. Cr.	172.63	178.22
Total Income (Net of Interest Expense)	Rs. Cr.	22.59	23.54
PAT	Rs. Cr.	0.87	0.69
Net Worth	Rs. Cr.	44.50	43.63
Return on Average Assets (RoAA)	(%)	0.50	0.32
Return on Average Net Worth (RoNW)	(%)	1.97	1.60
Total Debt/Tangible Net Worth (Gearing)	Times	2.54	2.80
Gross NPAs	(%)	6.78	12.51
Net NPAs	(%)	2.63	9.04

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

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>
- Non-Banking Financing 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>**Rating History**

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.15	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.02	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	3.75	ACUITE BBB- (Downgraded from ACUITE BBB)
	Cash Credit	Long Term	6.99	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	3.72	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.90	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	7.05	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.90	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	3.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.25	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.15	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	9.38	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.81	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	2.47	ACUITE BBB- (Downgraded from ACUITE BBB)

	Term Loan	Long Term	0.83	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.13	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Proposed Term Loan	Long Term	127.98	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	4.81	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
		Long		ACUITE BBB- (Downgraded from ACUITE BBB)
27 May 2021	Term Loan	Term	3.19	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	4.42	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	2.63	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.36	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	9.08	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.15	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	2.69	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.67	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.35	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.27	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	5.28	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.83	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	10.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	4.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.15	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.24	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)



	Proposed Non Convertible Debentures	Long Term	50.00	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	1.25	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.42	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.83	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.06	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	4.12	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.00	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.89	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	2.68	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	0.83	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	7.32	ACUITE BBB- (Downgraded from ACUITE BBB)
	Term Loan	Long Term	1.25	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.25	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	7.90	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	4.24	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.40	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.00	ACUITE BBB (Assigned)
	Term Loan	Long Term	1.19	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	0.37	ACUITE BBB (Withdrawn)
	Term Loan	Long Term	3.50	ACUITE BBB (Withdrawn)
	Term Loan	Long Term	8.00	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	6.36	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.19	ACUITE BBB (Assigned)
	Term Loan	Long Term	5.00	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.19	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	0.80	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	2.08	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	7.48	ACUITE BBB (Ratings Under Watch)

Term Loan	Long Term	7.67	ACUITE BBB (Ratings Under Watch)
Term Loan	Long Term	2.27	ACUITE BBB (Assigned)
Term Loan	Long Term	6.36	ACUITE BBB (Assigned)
Term Loan	Long Term	1.82	ACUITE BBB (Withdrawn)
Term Loan	Long Term	1.88	ACUITE BBB (Withdrawn)
Term Loan	Long Term	2.50	ACUITE BBB (Ratings Under Watch)
Term Loan	Long Term	1.99	ACUITE BBB (Ratings Under Watch)
Term Loan	Long	4.82	ACUITE BBB (Ratings Under

15 May 2020		Term		Watch)
	Term Loan	Long Term	1.87	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.19	ACUITE BBB (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	3.03	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.08	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	12.19	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.87	ACUITE BBB (Assigned)
	Term Loan	Long Term	13.12	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.19	ACUITE BBB (Assigned)
	Cash Credit	Long Term	6.44	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	2.67	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.25	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.88	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	0.36	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	2.92	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.87	ACUITE BBB (Assigned)
	Proposed Bank Facility	Long Term	49.74	ACUITE BBB (Ratings Under Watch)
	Proposed Non Convertible Debentures	Long Term	50.00	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.29	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.29	ACUITE BBB (Assigned)
	Term Loan	Long Term	5.00	ACUITE BBB (Assigned)
	Term Loan	Long Term	3.35	ACUITE BBB (Assigned)
	Term Loan	Long Term	0.09	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	0.91	ACUITE BBB (Withdrawn)
	Term Loan	Long Term	6.14	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.88	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	2.10	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	2.06	ACUITE BBB (Ratings Under Watch)



	Term Loan	Long Term	5.00	ACUITE BBB (Assigned)
	Term Loan	Long Term	1.06	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	3.33	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.25	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	10.70	ACUITE BBB (Ratings Under Watch)
	Term Loan	Long Term	1.87	ACUITE BBB (Assigned)
	Term Loan	Long Term	2.19	ACUITE BBB (Assigned)
	Term Loan	Long Term	3.35	ACUITE BBB (Assigned)
	Term Loan	Long Term	1.44	ACUITE BBB (Assigned)
29 Nov 2019	Term Loan	Long Term	0.37	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	3.33	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	2.39	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.88	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.58	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	12.93	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	81.03	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	2.50	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	3.13	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.88	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.88	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.21	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	14.06	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	3.50	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	4.85	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	0.91	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	1.82	ACUITE BBB   Stable (Assigned)
	Term Loan	Long Term	3.67	ACUITE BBB   Stable (Assigned)
	Term Loan	Long	0.49	ACUITE BBB   Stable (Assigned)

Term Loan	Term Long Term	11.25	ACUITE BBB   Stable (Assigned)
Cash Credit	Long Term	7.00	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	10.00	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	4.50	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	10.00	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	1.88	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	2.44	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	10.23	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	10.00	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	3.00	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	4.58	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	3.89	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	2.77	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	2.44	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	3.13	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	1.82	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	9.33	ACUITE BBB   Stable (Assigned)
Term Loan	Long Term	3.33	ACUITE BBB   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 Term Loan	30-08-2018	Not Applicable	03-08-2020	144.93	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Maanaveeya Development & Finance Private Limited	Not Applicable	Term Loan	31-08-2021	Not available	31-08-2023	6.67	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Bank of Baroda	Not Applicable	Term Loan	29-09-2021	Not available	29-09-2023	5.70	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Punjab National Bank	Not Applicable	Term Loan	07-09-2021	Not available	07-09-2023	35.20	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
State Bank of India	Not Applicable	Term Loan	29-11-2021	Not available	29-11-2024	5.93	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Union Bank of India	Not Applicable	Term Loan	30-09-2021	Not available	30-09-2024	8.18	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
UCO Bank	Not Applicable	Term Loan	30-03-2021	Not available	31-03-2026	4.38	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
IDFC First Bank Limited	Not Applicable	Term Loan	14-02-2018	Not available	06-02-2025	10.00	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
MAS Financial Service Ltd.	Not Applicable	Term Loan	30-09-2020	Not available	20-08-2022	0.44	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )

							)
MAS Financial Service Ltd.	Not Applicable	Term Loan	30-09-2020	Not available	20-08-2022	0.19	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Arohan Financial Services (P) Ltd.	Not Applicable	Term Loan	28-03-2019	Not available	27-03-2022	7.05	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Hinduja Leyland Finance Ltd.	Not Applicable	Term Loan	26-09-2019	Not available	10-06-2022	0.68	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Hinduja Leyland Finance Ltd.	Not Applicable	Term Loan	12-02-2020	Not available	12-02-2023	2.11	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
NABFINS Limited	Not Applicable	Term Loan	20-03-2019	Not available	06-03-2021	0.32	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Nabkisan Finance Limit	Not Applicable	Term Loan	17-03-2020	Not available	28-02-2023	1.65	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Nabkisan Finance Limit	Not Applicable	Term Loan	11-03-2019	Not available	06-06-2023	4.66	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Ecstar Leasing & Finance Private	Not Applicable	Term Loan	29-08-2019	Not available	27-05-2022	0.93	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
IDFC First Bank Limited	Not Applicable	Term Loan	06-09-2018	Not available	28-08-2022	0.79	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
							ACUITE BB+   Stable

SMC Moneywise Financial Services Pvt Ltd.	Not Applicable	Term Loan	14-02-2020	Not available	05-03-2022	2.69	Downgraded ( from ACUITE BBB- )
State Bank of India	Not Applicable	Term Loan	25-11-2019	Not available	25-09-2022	0.88	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
UCO Bank	Not Applicable	Term Loan	17-03-2020	Not available	30-06-2024	2.62	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )
Punjab National Bank	Not Applicable	Term Loan	07-04-2020	Not available	30-03-2024	4.00	ACUITE BB+   Stable   Downgraded ( from ACUITE BBB- )

## Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a>  Nitin Chavan Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:nitin.chavan@acuite.in">nitin.chavan@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.