



Press Release
Vector Finance Private Limited
October 13, 2023
Rating Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	50.00	-	-

Rating Rationale

Acuite has withdrawn the long-term rating on the Rs. 50.00 Cr. **proposed** Bank Loan facility of Vector Finance Private Limited. The withdrawal is on account of request received from client and in accordance with Acuite's policy on withdrawal of ratings.

About the company

Odisha based Vector Finance Private Limited (VFPL) was incorporated in November 2018. It is an RBI registered Non-Banking Finance Company – Micro-Financial Institution (NBFC-MFI). VFPL is promoted by Mr Rahul Johri and Mr Prasanta Kumar Sahu to extend micro credit to women borrowers in semi urban and rural areas for income generating activities through joint liability group (JLG) model. The operations of VFPL are spread across 74 districts of six states, namely Odisha, Assam, West Bengal, Madhya Pradesh, Chhattisgarh and Tripura through a network of 147 branches as on September 30, 2022.

Standalone (Unsupported) Rating

Not Applicable

Analytical Approach

Not Applicable

Key Rating Drivers

Strength

Not Applicable

Weakness

Not Applicable

ESG Factors Relevant for Rating

Not Applicable

Rating Sensitivity

Not Applicable

All Covenants

None

Liquidity Position
Not Applicable

Outlook:

Not Applicable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY23 (Actual)	FY22 (Actual)
Total Assets	Rs. Cr.	73.59	38.74
Total Income*	Rs. Cr.	38.66	22.77
PAT	Rs. Cr.	5.99	0.84
Net Worth	Rs. Cr.	24.24	17.95
Return on Average Assets (RoAA)	(%)	10.67	2.61
Return on Average Net Worth (RoNW)	(%)	28.40	15.09
Total Debt/Tangible Net worth (Gearing)	Times	1.69	0.96
Gross NPA	(%)	-	1.30
Net NPA	(%)	-	1.13

*Total income equals to Net Interest Income

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

None

Any other information

Acuite is yet to receive the latest No Default Statement from the rated entity, despite repeated requests and followups.

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

In order to inform the investors about complexity of instruments, Acuite 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
22 Dec 2022	Proposed Term Loan	Long Term	50.00	ACUITE BB Stable (Upgraded from ACUITE BB-)
30 May 2022	Term Loan	Long Term	0.35	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	2.33	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	2.68	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.53	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.88	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	1.25	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.99	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.95	ACUITE BB- (Issuer not co-operating*)
	Proposed Term Loan	Long Term	36.35	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	2.41	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	1.28	ACUITE BB- (Issuer not co-operating*)
22 Mar 2021	Term Loan	Long Term	0.14	ACUITE BB- (Downgraded and Withdrawn)
	Term Loan	Long Term	2.41	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	1.25	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.53	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.35	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	2.33	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	36.35	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	1.28	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	2.68	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.99	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.88	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)
	Term Loan	Long Term	0.95	ACUITE BB- Stable (Downgraded from ACUITE BB Stable)

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 Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	Simple	50.00	Not Applicable Withdrawn

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Akancha Singh Analyst-Rating Operations Tel: 022-49294065 akancha.singh@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.

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