

Press Release

Village Financial Services Limited

March 09, 2022

Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	900.00	ACUITE A- Negative Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	900.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of **'ACUITE A-' (read as ACUITE A minus)** to the Rs. 900.00 Cr bank facilities of Village Financial Services Limited (VFSL). The outlook is **'Negative'**

The rating continues to factor in VFSL's experienced management and operational track record of over two decades. The rating is further supported by adequate capitalization levels and resources raising ability. VFSL has funding relationships with ~33 Banks and Financial Institutions. While Acuite takes cognizance of the VFSL's declining AUM (773.79Cr as on December 31, 2021 as against Rs 785.47 Cr as on March 31, 2021), this is on account of conscious curtailment in the disbursements on account of COVID.

The rating also takes into account deterioration in the company's credit profile as a result of rise in gross non-performing assets (including off-book) to 5.31 percent as on March 31, 2021 (P.Y: 0.86 percent). This in turn, resulted into higher credit provisioning which has impacted the profitability for FY2021 (Rs 6.02 Cr for FY2021 as against Rs 35.06 Cr for FY2020). Although still at a higher level the company has reduced the GNPA levels to 4.51 percent as on December 31, 2021. The rating also takes into account the decline in the collection efficiency due to the second wave of COVID, however post resumption of activities, VFSL has shown improvement in the collections and has been able to achieve over 90 percent scheduled collection efficiency since October 2021. The rating is further constrained by the company's geographically concentrated operations in West Bengal (73.25 percent of the overall portfolio) as on March 31, 2021. The inherent risks of microfinance industry including exposure to marginalized borrowers have been exacerbated by intermittent lockdowns and economic disruptions in the wake of COVID pandemic. While Acuite takes cognizance of rebound in disbursements and some improvement in asset quality during Q3FY22, the company is expected to witness continued profitability pressures in the near to medium term. Going forward, the company's ability to raise capital (both equity & debt), maintain capitalization & liquidity buffers, and contain delinquencies across different time buckets and its resultant impact on profitability metrics would remain key monitorables.

About the company

Incorporated in 1994, Village Financial Services Limited (VFSL) is a Kolkata based NBFC-MFI engaged in extending microfinance loans to woman borrowers organized in Joint Liability

Groups. The company is promoted by Mr. Ajit Kumar Maity (Chairman) and Mr. Kuldip Maity (Managing Director and Chief Executive Officer) who have over two decades of experience in the microfinance segment. VFSL commenced its lending operations in 2006 and operates through a branch network of 246 branches as on March 31, 2021 across 13 states, namely, West Bengal, Bihar, Assam, Odisha, Tripura, Chhattisgarh, Madhya Pradesh and Uttarakhand among others.

The promoters were earlier engaged in micro finance activities through Village Welfare Society (VWS) and Village Micro Credit Services (VMCS- Section 25 Company) since 1982 and 2004 respectively. VMCS was engaged in lending activities, however, it has been discontinued since 2017 and all fresh disbursements are carried only in VFSL.

Analytical Approach

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

Key Rating Drivers

Strength

- **Experienced management and established track record in micro-finance lending.**

VFSL, a Kolkata based NBFC-MFI, commenced microfinance lending to woman borrowers organized in Joint Liability Groups since 2006. The company is also engaged in extending SME loans to entrepreneurs in rural and semi-urban areas for income-generating activities. VFSL has its operations spread across 13 states, mainly West Bengal, Bihar, Tripura, Odisha and Jharkhand among others. The company operates through a network of 246 branches as on March 31, 2021.

VFSL is promoted by Mr. Ajit Kumar Maity (Chairman) and Mr. Kuldip Maity (Managing Director and CEO). Mr. Ajit Kumar Maity has over three decades of experience in microfinance and social development. He has obtained training in Microfinance- Legal & Regulatory Frameworks in September, 2006 from International Development Law Organization which was held in Sydney. Mr. Kuldip Maity has experience of around two decades in microfinance space.

VFSL's board comprises of 6 members led by Mr. Ajit Kumar Maity (Chairman). The board comprises Mr. Ajit Kumar Maity, Mr. Kuldip Maity and four independent directors. The day to day operations of VFSL is managed by Mr. Kuldip Maity (MD & CEO) of VFSL.

The established track record of promoters in microfinance lending has supported VFSL's growth strategy. The company's Asset under Management (AUM) stood at Rs 785.47 Cr. as on March 31, 2021. As on March 31, 2021, West Bengal and Bihar contributed 73.25 percent and 8.63 percent respectively to VFSL's assets under management (AUM). The balance AUM was distributed across the states of Assam, Odisha, Tripura, Chhattisgarh, Madhya Pradesh and Uttarakhand, among others.

Acuité believes that presence of the experienced promoters in the microfinance segment will be central to support the business risk profile of the company.

- **Adequate capitalization levels & resources raising ability**

VFSL has established relationship with ~33 lenders, public and private sector bank and financial institutions. The company has availed Term loans from the Banks (54.26 percent of the outstanding borrowings as on March 31, 2021) and NBFCs (15.51 percent of the outstanding borrowings as on March 31, 2021) and Financial Institutions (30.17 percent of the outstanding borrowings as on March 31, 2021). Despite the recent slowdown in the NBFC

sector, VSFL has been able to raise funds of ~Rs 430 Cr during FY2021. Additionally, the company maintains healthy liquidity in the form of sufficient cash and bank balance of Rs 53.95 Cr as on December 31, 2021 (Rs. 87.87 cr. as on March 31, 2021). The undrawn sanctions available with the company as on February 28, 2022 is Rs 50 Cr.

Despite healthy resources raising ability, the company's disbursements declined sharply during FY21 on account of conscious curtailment on account of COVID and other geographical/political disturbances. As a result, the company's AUM declined from Rs 785.47 Cr as on March 31, 2021 as against Rs 1090.96 Cr as on March 31, 2020.

The company's disbursals rebounded during Q3FY22; the company disbursed Rs 203.97 crore during Q3FY22 vis a vis Rs 181 crores in H1FY22. The AUM as on December 31, 2021 stood at 773.79Cr which comprised of owned portfolio of Rs. 713.05 Cr. and off-book exposure of Rs. 60.74 Cr. While Acuite takes cognizance of the company's resources raising ability, however VFSL needs to raise equity so as to bolster its capitalization levels in the near term.

Weakness

- **Geographically concentrated portfolio and Risk Inherent to Microfinance segment**

The activities of microfinance companies, like VFSL are exposed to geographical concentration risks. VFSL has presence in 13 states with concentration in West Bengal (73.25 percent of the overall portfolio) and balance in 12 states as on March 31, 2021. It has 246 branches located over 78 districts. This exposes the company to high geographical concentration risk and could not diversify to other states due to pandemic. The company's performance is expected to remain exposed to competitive or political landscape in these regions and occurrence of events such as natural calamities, which may adversely impact the credit profile of the borrowers. Besides geography, the company will be exposed to competition and any changes in the regulatory framework thereby impacting credit profile of VFSL. The impact of COVID may also impair the scalability of business operations, which has currently disrupted access to funds, collections and disbursement processes.

Acuite believes that geographic concentration in its portfolio coupled with the inherent risk in microfinance segment in the backdrop of second wave of COVID will continue to weigh on the company's credit profile over the near to medium term.

- **Asset quality challenges and Profitability Impact .**

The outbreak of the COVID and the intermittent lockdowns have significantly impacted the operations of the micro finance industry. This has impacted the credit profile of most of the borrowers thereby impacting the asset quality and the collection efficiency. The logistical challenges in reaching out to the borrowers for collections have disrupted the operations of most of the MFIs. The intermittent lockdowns and relaxations have resulted in volatility in collection efficiency.

Given the challenges, the delinquencies have increased and the company reported a 90+DPD at 5.31 percent as on March 31, 2021 as against 0.86 percent as on March 31, 2020. The company also reported higher delinquencies in the softer buckets; delinquencies in 30-90dpd increased from 11.18 percent as on March 2021 as against 0.33 percent as on March 31, 2020. Although the delinquencies have now improved as the company reported a 90+ DPD at 4.51 percent as on 31st December 2021. Significant decline in disbursements, asset quality stress and the resultant credit provisioning have altogether impacted the profitability. During FY2021, VFSL's PAT declined to Rs 6.02 Cr as against Rs 35.06 Cr during FY2020, and for Q3FY22 the PAT observed was Rs. 1.03 Crore, whereas PBT was Rs. 1.17 Crore. While the company's current collection efficiency has been improving since Q2FY2022, profitability is expected to improve in the near term subject to improvement in the eco-system of the micro finance sector.

Acuité believes, given the challenges, the company's ability to manage the additional slippages while maintaining the portfolio collections will be crucial.

ESG Factors Relevant for Rating

Village Financial Services Ltd (VFSL) belongs to the NBFC-MFI sector which facilitates lending to the unbanked population. Some of the material governance issues for the financial services sector are policies and practices with regard to business ethics, board diversity and independence, compensation structure for board and KMPs, role of the audit committee and shareholders' rights. On the social aspect, some of the critical issues for the sector are the contributions to financial inclusion and community development, responsible financing including environmentally friendly projects and policies around data privacy. The industry, by nature has a low exposure to environmental risks. The entity maintains adequate transparency in its business ethics practices as can be inferred from the entity's disclosures regarding related party transactions, vigil mechanism and whistle blower policy. The board of directors of the company comprise of 6 directors out of which 4 are independent director which includes 1 female director. The audit committee is with the objective to monitor and provide an unbiased supervision of the management's financial reporting process. VFSL also maintains transparency in terms of disclosures pertaining to interest rate policy and its adherence to Fair Practice Code as disseminated by Reserve Bank of India's circular. VFSL aims to empower women by providing micro loans to help them generate additional income opportunities, hence making an economic contribution by way of financial inclusion. It continues to work on several community development initiatives and has also developed a social performance management system to facilitate financial stability of its staff and clients. In digitalization, the Company promotes technology that encapsulates the entire MFI operations of the company on Application Service Provider model

Rating Sensitivity

- Movement in Asset Quality and Collection efficiency.
- Movement in Profitability Metrics.
- Ability to raise capital, both equity and debt.
- Diversification in geographical profile.

Material Covenants

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

Liquidity Position: Adequate

VFSL's overall liquidity profile remains adequate, given that its portfolio comprises of relatively shorter-tenure microfinance loans compared to the tenure of borrowed funds. The company's near term liquidity position is well managed based on ALM Statement as on March 31, 2021, with positive mismatches in individual buckets. The company is in talks with various lenders to raise long term debt. The company's liquidity position is supported by unencumbered Cash and Bank Balance of Rs 53.95 Cr as on December 31, 2021. The future liquidity position will hinge upon the company's ability to raise resources while continuing to achieve optimal portfolio collections.

Outlook: Negative

Acuité believes that VFSL's credit profile will be under pressure on account of significant impairment in asset quality. The outlook may be revised to 'Stable' in case VFSL is able to demonstrate a significant improvement in liquidity buffers through long term funding infusion, either through debt or equity and significant improvement in asset quality and profitability. The rating may be downgraded if the company faces challenges in raising fresh equity or long term debt funding commensurate with its near term business requirements and higher than expected deterioration in asset quality/ profitability. Any further decline in AUM or capitalisation will also impart a negative bias to the rating.

Key Financials - Standalone / Originator

Particulars	Unit	FY21 (Actual)	FY20 (Actual)
Total Assets	Rs. Cr.	898.36	1005.94
Total Income*	Rs. Cr.	67.20	102.41
PAT	Rs. Cr.	6.02	35.06
Net Worth	Rs. Cr.	167.06	161.05
Return on Average Assets (RoAA)	(%)	0.63	3.55
Return on Average Net Worth (RoNW)	(%)	3.67	24.43
Debt/Equity	Times	4.05	4.75
Gross NPA	(%)	5.31	0.86
Net NPA	(%)	2.31	0.25

*Total income equals to Net Interest Income, Securitization Income plus other income.

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	2.55	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.65	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.56	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	23.80	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.90	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	25.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.56	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	4.32	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	5.74	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	13.57	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.85	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.75	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	4.98	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	4.55	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	13.88	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.56	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	12.25	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.85	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.81	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.22	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	30.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.85	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.67	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	46.50	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	4.77	ACUITE A- Negative (Reaffirmed)
		Long		ACUITE A- Negative

06 Sep
2021

Term Loan	Term	0.56	(Reaffirmed)
Term Loan	Long Term	8.89	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	3.18	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	25.00	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	0.85	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	18.78	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	1.73	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.29	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	12.21	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	1.15	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	2.42	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.38	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.77	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	1.94	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	7.50	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	0.98	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.43	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.72	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	0.56	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	11.88	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	12.50	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	2.69	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.28	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	17.25	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	0.20	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	12.54	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	8.00	ACUITE A- Negative (Reaffirmed)
Term Loan	Long Term	4.09	ACUITE A- Negative (Reaffirmed)

	Term Loan	Long Term	30.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.87	ACUITE A- Negative (Reaffirmed)
	Non Convertible Debentures	Long Term	50.00	ACUITE A- (Withdrawn)
	Term Loan	Long Term	391.03	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	16.67	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.87	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.79	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	36.36	ACUITE A- Negative (Reaffirmed)
11 Sep 2020	Term Loan	Long Term	2.90	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	9.24	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	18.89	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	19.39	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	25.00	ACUITE A- Negative (Reaffirmed)
	Proposed Bank Facility	Long Term	85.97	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	9.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	50.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	50.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.90	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	6.33	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long	18.43	ACUITE A- Negative

	Term Loan	Long Term	21.27	(Reaffirmed) ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	13.32	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	31.82	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	18.89	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	8.33	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Short Term	50.00	ACUITE A2+ (Assigned)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	21.27	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	18.89	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	9.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	50.00	ACUITE A- Negative (Reaffirmed)
	Commercial Paper Program	Short Term	20.00	ACUITE A2+ (Withdrawn)
	Term Loan	Long Term	50.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	31.82	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	2.90	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	9.24	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	3.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Assigned)

14 Aug 2020	Term Loan	Long Term	2.90	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Assigned)
	Proposed Bank Facility	Long Term	85.97	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	8.33	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	2.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	6.33	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	18.43	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	19.39	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	1.93	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	10.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	2.89	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	13.32	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	18.89	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	25.00	ACUITE A- Negative (Assigned)
12 Jun 2020	Proposed Bank Facility	Long Term	450.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	50.00	ACUITE A- Stable (Assigned)
	Commercial Paper Program	Short Term	20.00	ACUITE A2+ (Reaffirmed)
27 Nov 2019	Term Loan	Long Term	50.00	ACUITE A- Stable (Assigned)
	Proposed Bank Facility	Long Term	450.00	ACUITE A- Stable (Reaffirmed)
	Commercial Paper Program	Short Term	20.00	ACUITE A2+ (Reaffirmed)
	Commercial Paper Program	Short	20.00	ACUITE A2+ (Assigned)

08 Aug 2019	Proposed Bank Facility	Term Long Term	500.00	ACUITE A- 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 Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	247.18	ACUITE A- Negative Reaffirmed
Micro Units Development and Refinance Agency bank (MUDRA)	Not Applicable	Term Loan	Not available	Not available	Not available	50.00	ACUITE A- Negative Reaffirmed
Punjab National Bank	Not Applicable	Term Loan	14-02-2020	Not available	14-07-2023	4.49	ACUITE A- Negative Reaffirmed
Small Industries Development Bank of India	Not Applicable	Term Loan	06-12-2019	Not available	06-12-2022	15.00	ACUITE A- Negative Reaffirmed
Canara Bank	Not Applicable	Term Loan	02-05-2019	Not available	02-08-2022	3.32	ACUITE A- Negative Reaffirmed
UCO Bank	Not Applicable	Term Loan	23-09-2019	Not available	22-12-2022	2.42	ACUITE A- Negative Reaffirmed
Union Bank of India	Not Applicable	Term Loan	19-09-2019	Not available	18-12-2022	5.56	ACUITE A- Negative Reaffirmed
Fedbank Financial Services Limited	Not Applicable	Term Loan	29-02-2020	Not available	28-02-2022	0.02	ACUITE A- Negative Reaffirmed
Tata Capital Limited	Not Applicable	Term Loan	29-02-2020	Not available	28-02-2022	1.25	ACUITE A- Negative Reaffirmed
ICICI Bank Ltd	Not Applicable	Term Loan	19-03-2020	Not available	18-03-2022	0.68	ACUITE A- Negative Reaffirmed
Bank of	Not	Term		Not			ACUITE A-

Maharashtra	Applicable	Loan	14-10-2019	available	13-01-2023	9.02	Negative Reaffirmed
Punjab National Bank	Not Applicable	Term Loan	27-09-2019	Not available	26-03-2023	9.16	ACUITE A- Negative Reaffirmed
State Bank of India	Not Applicable	Term Loan	29-02-2020	Not available	28-02-2023	9.20	ACUITE A- Negative Reaffirmed
NABFINS Limited	Not Applicable	Term Loan	30-10-2019	Not available	01-05-2022	0.67	ACUITE A- Negative Reaffirmed
Vivrit Capital Private Ltd.	Not Applicable	Term Loan	23-03-2020	Not available	18-03-2022	0.47	ACUITE A- Negative Reaffirmed
Micro Units Development and Refinance Agency bank (MUDRA)	Not Applicable	Term Loan	09-09-2020	Not available	01-08-2023	27.27	ACUITE A- Negative Reaffirmed
Bank of Baroda	Not Applicable	Term Loan	30-03-2019	Not available	30-06-2022	1.94	ACUITE A- Negative Reaffirmed
Union Bank of India	Not Applicable	Term Loan	02-01-2019	Not available	30-04-2022	0.67	ACUITE A- Negative Reaffirmed
Indian Bank	Not Applicable	Term Loan	20-03-2019	Not available	20-03-2022	1.56	ACUITE A- Negative Reaffirmed
Indian Bank	Not Applicable	Term Loan	16-06-2020	Not available	16-06-2023	12.50	ACUITE A- Negative Reaffirmed
Yes Bank Ltd	Not Applicable	Term Loan	31-03-2021	Not available	31-03-2023	8.13	ACUITE A- Negative Reaffirmed
Maanaveeya Development & Finance	Not Applicable	Term Loan	30-03-2021	Not available	23-03-2023	9.29	ACUITE A- Negative

Private Limited							Reaffirmed
Hinduja Leyland Finance Ltd.	Not Applicable	Term Loan	15-05-2019	Not available	16-05-2022	1.51	ACUITE A- Negative Reaffirmed
Bank of Maharashtra	Not Applicable	Term Loan	31-03-2021	Not available	31-03-2024	19.60	ACUITE A- Negative Reaffirmed
IDFC First Bank Limited	Not Applicable	Term Loan	01-03-2018	Not available	01-03-2022	6.25	ACUITE A- Negative Reaffirmed
IDFC First Bank Limited	Not Applicable	Term Loan	23-08-2018	Not available	01-08-2022	3.75	ACUITE A- Negative Reaffirmed
IDFC First Bank Limited	Not Applicable	Term Loan	30-03-2019	Not available	30-03-2026	30.00	ACUITE A- Negative Reaffirmed
Nabkisan Finance Limit	Not Applicable	Term Loan	22-09-2020	Not available	01-08-2023	6.00	ACUITE A- Negative Reaffirmed
Punjab and Sind Bank	Not Applicable	Term Loan	19-08-2021	Not available	16-07-2024	12.26	ACUITE A- Negative Reaffirmed
Punjab National Bank	Not Applicable	Term Loan	02-01-2019	Not available	30-04-2022	1.25	ACUITE A- Negative Reaffirmed
State Bank of India	Not Applicable	Term Loan	20-03-2021	Not available	08-03-2024	15.15	ACUITE A- Negative Reaffirmed
State Bank of India	Not Applicable	Term Loan	31-07-2021	Not available	08-03-2024	8.79	ACUITE A- Negative Reaffirmed
Northern Arc Capital (formerly IFMR Capital	Not Applicable	Term Loan	19-03-2020	Not available	18-03-2022	0.16	ACUITE A- Negative Reaffirmed
Northern Arc							ACUITE A-

Capital (formerly IFMR Capital)	Not Applicable	Term Loan	19-03-2020	Not available	18-03-2022	0.64	Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	14-09-2017	Not available	31-01-2023	1.70	Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	09-08-2018	Not available	31-01-2024	6.90	Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	08-06-2020	Not available	30-04-2022	12.50	Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	31-12-2020	Not available	31-03-2026	39.50	Negative Reaffirmed
Northern Arc Capital (formerly IFMR Capital)	Not Applicable	Term Loan	29-09-2020	Not available	01-08-2022	0.11	Negative Reaffirmed
Northern Arc Capital (formerly IFMR Capital)	Not Applicable	Term Loan	29-09-2020	Not available	01-08-2022	0.96	Negative Reaffirmed
Northern Arc Capital (formerly IFMR Capital)	Not Applicable	Term Loan	29-09-2020	Not available	01-08-2022	1.11	Negative Reaffirmed
Northern Arc Capital (formerly IFMR Capital)	Not Applicable	Term Loan	29-09-2020	Not available	01-08-2022	1.11	Negative Reaffirmed
Canara Bank	Not Applicable	Term Loan	24-08-2021	Not available	19-08-2024	50.00	Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	03-09-2021	Not available	03-03-2023	15.00	Negative Reaffirmed
Jana Small Finance Bank	Not	Term	03-09-2021	Not	18-09-2024	66.14	Negative

Ltd.	Applicable	Loan		available			Reaffirmed
Bank of Baroda	Not Applicable	Term Loan	30-09-2021	Not available	30-09-2024	17.20	ACUITE A- Negative Reaffirmed
Small Industries Development Bank of India	Not Applicable	Term Loan	14-10-2021	Not available	10-06-2022	66.00	ACUITE A- Negative Reaffirmed
Bandhan Bank	Not Applicable	Term Loan	20-11-2021	Not available	20-11-2023	10.00	ACUITE A- Negative Reaffirmed
Maanaveeya Development & Finance Private Limited	Not Applicable	Term Loan	01-12-2021	Not available	01-12-2024	30.00	ACUITE A- Negative Reaffirmed
IDBI Bank Ltd.	Not Applicable	Term Loan	18-12-2021	Not available	18-12-2023	25.00	ACUITE A- Negative Reaffirmed
National Bank for Agriculture and Rural Development (NABARD)	Not Applicable	Term Loan	03-09-2021	Not available	03-03-2023	15.00	ACUITE A- Negative Reaffirmed
Indian Overseas Bank	Not Applicable	Term Loan	01-03-2022	Not available	01-03-2025	10.00	ACUITE A- Negative Reaffirmed
Canara Bank	Not Applicable	Term Loan	10-05-2019	Not available	10-05-2022	2.73	ACUITE A- Negative Reaffirmed
Canara Bank	Not Applicable	Term Loan	21-12-2020	Not available	20-12-2023	3.88	ACUITE A- Negative Reaffirmed

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294041 mohit.jain@acuite.in Nitin Chavan Management Trainee-Rating Operations Tel: 022-49294065 nitin.chavan@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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 8,850 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 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. Acuité ratings 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. Acuité ratings 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.