



Press Release
Vedika Credit Capital Limited - Aritra Growth 3
December 08, 2023
Rating Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Pass Through Certificates (PTCs)	5.93	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	5.93	-	-

Rating Rationale

Acuite has withdrawn the long term rating on the Pass Through Certificates (PTCs) of Rs. 5.93 Cr. issued by ARITRA GROWTH 3 under a securitisation transaction originated by VEDIKA CREDIT CAPITAL LIMITED (The Originator). The PTCs are backed by a pool of microfinance with principal outstanding of Rs. 6.78 Cr (including Rs. 0.85 Cr of over collateralisation).

The transaction has been paid in full. It has also been redeemed and all the contractual obligations and pay-outs to the investors have been duly completed. Hence, the rating is being withdrawn. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating and pursuant to a request received from the company in this regard, and the NOC received from the trustee.

About the Originator

Jharkhand based VCCL, is a Non-Banking Finance Company (NBFC) Micro Finance Institution (MFI) primarily engaged in extending Micro loans to women borrowers under the Joint Liability Group Model since 2007. The company has presence in 7 states, primarily in eastern India through a network of 192 branches as on November 30, 2022. The company was originally incorporated in 1995 by a different set of owners and subsequently, the company was taken over in 2004 by the present promoters, Mr. Ummed Jain (Chairman) and his sons, Mr. Gautam Jain and Mr. Vikram Jain. Mr. Gautam Jain (Managing Director) was initially engaged in traditional financing and gradually instrumented his aim to transform his lending operations into a recognized and regulated NBFC-MFI - VCCL. The promoters are engaged in two wheeler financing through Vedika Fincorp Limited, a group company of VCCL.

Assessment of the Pool

Not applicable

Credit Enhancements (CE)

Not applicable

Transaction Structure

Not applicable

Assessment of Adequacy of Credit Enhancement

Not applicable

Legal Assessment

Not applicable

Key Risks

Counter Party Risks

Not applicable

Concentration Risks

Not applicable

Servicing Risks

Not applicable

Regulatory Risks

Not applicable

Prepayment Risks

Not applicable

Commingling Risk

Not applicable

Rating Sensitivity

Not applicable

All Covenants

Not applicable

Liquidity Position

Not applicable

Outlook:

Not Applicable

Other Factors Affecting the Rating

None

Key Financials - Originator

Particulars	Unit	FY23 (Actual)	FY22 (Actual)
Total Assets	Rs. Cr.	914.96	756.23
Total Income*	Rs. Cr.	83.39	51.27
PAT	Rs. Cr.	17.01	23.25
Net Worth	Rs. Cr.	157.26	104.71
Return on Average Assets (RoAA)	(%)	2.04	3.92
Return on Average Net Worth (RoNW)	(%)	12.99	24.94
Debt/Equity	Times	4.68	6.13
Gross NPA	(%)	N/A	2.01
Net NPA	(%)	N/A	0.00

*Total income equals to Net Interest Income plus other income

Any Other Information

None

Status of disclosure of all relevant information about the Obligation being Rated

Not applicable

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.

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>
- Securitized Transactions: <https://www.acuite.in/view-rating-criteria-48.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Dec 2022	Pass Through Certificates	Long Term	5.93	ACUITE A-(SO) (Assigned)
14 Sep 2022	Pass Through Certificates	Long Term	5.93	ACUITE Provisional A-(SO) (Assigned)

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	Pass Through Certificate	Not Applicable	0.0	Not Applicable	Highly Complex	5.93	Not Applicable Withdrawn

Contacts

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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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