

September 12, 2024

## Svasti Microfinance Private Limited: Rating withdrawn

### Summary of rating action

| Instrument*                | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action                 |
|----------------------------|--------------------------------------|-------------------------------------|-------------------------------|
| Non-convertible debentures | 22.50                                | 0.00                                | [ICRA]BBB (Stable); withdrawn |
| <b>Total</b>               | <b>22.50</b>                         | <b>0.00</b>                         |                               |

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the rating outstanding on the Rs. 22.50-crore non-convertible debenture (NCD) programme of Svasti Microfinance Private Limited (SMPL) at the request of the company as the instrument has been fully redeemed and no amount is outstanding against the same. The rating was withdrawn in accordance with ICRA's policy on the withdrawal of credit ratings. The key rating drivers, liquidity position, rating sensitivities, and key financial indicators have not been captured as the rated instrument has been withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

| Analytical Approach             | Comments   |
|---------------------------------|--|
| Applicable rating methodologies | <a href="#">Rating Methodology for Non-banking Finance Companies</a><br><a href="#">Policy on Withdrawal of Credit Ratings</a> |
| Parent/Group support            | Not applicable   |
| Consolidation/Standalone        | Standalone   |

### About the company

Incorporated in October 2008 as Svasti Foundation, the company was renamed Svasti Microfinance Private Limited (SMPL) in October 2010. SMPL is registered with the Reserve Bank of India as a non-deposit taking, non-banking financial company – microfinance institution (ND-NBFC-MFI). The company provides microcredit to women for income-generating activities under the joint liability group (JLG) lending model. Along with microcredit, it offers individual loans for business activities and insurance products to its borrowers.

As on March 31, 2024, the company reported assets under management (AUM) of Rs. 1,308 crore catering to more than 4 lakh borrowers through a network of 145 branches spread across 94 districts and 8 states.

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

| S. No. | Instrument                 | Current Rating (FY2025) |                          |                                  | Chronology of Rating History for the Past 3 Years |                         |                         |
|--------|----------------------------|-------------------------|--------------------------|----------------------------------|---|-------------------------|-------------------------|
|        |                            | Type                    | Amount Rated (Rs. crore) | September 12, 2024               | Date & Rating in FY2024                           | Date & Rating in FY2023 | Date & Rating in FY2022 |
|        |                            |                         |                          |                                  | Dec-21-2023                                       | Dec-27-2022             | Dec-29-2021             |
| 1      | Non-convertible debentures | Long term               | 22.50                    | [ICRA]BBB (Stable);<br>withdrawn | [ICRA]BBB (Stable)                                | [ICRA]BBB- (Stable)     | [ICRA]BBB- (Stable)     |

### Complexity level of the rated instrument

| Instrument                 | Complexity Indicator |
|----------------------------|----------------------|
| Non-convertible debentures | Very Simple          |

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

| ISIN         | Instrument                | Date of Issuance  | Coupon Rate | Maturity Date      | Rated Amount (Rs. crore) | Current Rating and Outlook    |
|--------------|---------------------------|-------------------|-------------|--------------------|--------------------------|-------------------------------|
| INE513Q07124 | Non-convertible debenture | December 17, 2020 | 12.39%      | December 13, 2025* | 22.50                    | [ICRA]BBB (Stable); withdrawn |

Source: Company; \*Instrument fully redeemed in December 2023

**Annexure II: List of entities considered for consolidated analysis**

Not applicable

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