

October 28, 2024

NeoGrowth Credit Private Limited: Rating withdrawn for PTCs issued under MSME business loan receivables

Summary of rating action

TRUST NAME	Instrument*	Initial Rated Amount (Rs. crore)	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
KiPlatform Charak 1 July 2023	PTC Series A1	29.42	29.42	0.00	[ICRA]A(SO); Withdrawn

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under a micro, small and medium enterprise (MSME) business loan receivables originated by Neogrowth Credit Private Limited {NCPL/Originator; rated [ICRA]BBB+ (Stable)}. All the payouts to the investor(s) in the above-mentioned instrument have been made and no further payments are due to the investors.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The previous detailed rating rationale of the exercise is available at the following link: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

NeoGrowth Credit Private Limited, which commenced operations in FY2013, is a non-deposit taking systemically important non-banking financial company (NBFC) providing loans to small and medium enterprises (SMEs). The company was founded by Mr. Dhruv Khaitan and Mr. Piyush Khaitan, and its investors include Omidyar Network, Aspada Investment Advisors, Khosla Impact Fund, Frontier Investments Group (Accion), Trinity Inclusion (Leapfrog Investments), FMO, Plenitude Ventures Private Limited and IIFL Seed Ventures Fund. Prior to setting up NeoGrowth, the founders had founded and managed Venture Infotek, which provided end-to-end card payment processing solutions to banks that issue credit cards and those with whom merchants have point of sales terminals. The assets under management (AUM) stood at Rs. 2,876 crore as on June 30, 2024.

Key financial indicators

NCPL	FY2022	FY2023	FY2024
	Audited	Audited	Audited
Total income	363	383	601
Profit after tax	-39	17	71
Total managed assets	1,852	2,250	3,113
GS3	12.9%	3.2%	3.7%
CRAR	23.2%	32.7%	28.5%

Source: Company, ICRA Research; All ratios as per ICRA calculations; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022
					Oct 28, 2024	Oct 25, 2023	Aug 02, 2023	-	-
1	KiPlatform Charak 1 July 2023	PTC Series A1	29.42	0.00	[ICRA]A(SO); Withdrawn	[ICRA]A(SO)	Provisional [ICRA]A(SO)	-	-

Complexity level of the rated instrument

Instrument	Instrument	Complexity Indicator
KiPlatform Charak 1 July 2023	PTC Series A1	Moderately complex

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 analyzing 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, is available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Current Rated Amount (Rs. crore)	Current Rating
KiPlatform Charak 1 July 2023	PTC Series A1	July 31, 2023	12.15%	April 12, 2025	0.00	[ICRA]A(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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