

June 29, 2022

Maben Nidhi Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Bank Facilities – Cash Credit	50.00	0.00	[ICRA]BBB(Stable); withdrawn
Total	50.00	0.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Maben Nidhi Limited at the request of the company and based on the Closure proofs from the Banker in accordance with the policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position and Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Policy on withdrawal of credit ratings
Parent/Group Support	Part of the Manappuram Group
Consolidation/Standalone	The rating is based on the standalone financial statements of Maben Nidhi Limited

About the company

Maben Nidhi Limited was established as Manappuram Benefit Fund Limited in 1993. It is a part of the Manappuram Group of companies with the promoter, Mr. V. P. Nandakumar, and his family members holding around 59% of the shares as on March 31, 2021 while the remaining shares are held by members of Maben. Maben provides loans against gold jewellery, loan against property and loan against deposits.

Key financial indicators (IGAAP)

Maben Nidhi Limited	FY2019	FY2020	FY2021
Total Income (Rs. crore)	46.3	60.8	67.7
Profit after Tax (Rs. crore)	10.7	12.9	19.1
Net Worth (Rs. crore)	54.7	67.6	86.7
AUM (Rs. crore)	207.2	279.1	253.9
Total Managed Assets (Rs. crore)	238.2	323.8	306.2
Return on Average Managed Assets %	4.9%	4.6%	6.1%
Return on Average Net Worth %	21.6%	21.1%	24.8%
Gearing (reported; times)	3.3	3.6	2.4
Gross NPA (90+ dpd) %	1.8%	0.6%	2.1%
Net NPA%	1.8%	0.4%	0.8%
Net NPA/Net Worth	6.8%	1.7%	2.5%

Source: Company, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years		
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating	FY2022	FY2021	FY2020
				Jun-29-2022	May-28-2021	-	Feb-19-2020
1 Bank facilities – Cash credit	Long term	50.00	0.00	[ICRA]BBB(Stable); withdrawn	[ICRA]BBB (Stable)	-	[ICRA]BBB- (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term bank facilities – Cash credit	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: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	50.00	[ICRA]BBB(Stable); withdrawn

Source: Maben

Annexure-2: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

Karthik Srinivasan

+91 22 6114 3444

karthiks@icraindia.com

A M Karthik

+91 44 4596 4308

a.karthik@icraindia.com

R Srinivasan

+91 44 4596 4315

r.srinivasan@icraindia.com

Shaik Abdul Saleem

+91 44 4596 4325

shaik.saleem@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



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