

November 17, 2023

## Vivriti Capital Limited: Ratings withdrawn for instruments backed by microfinance loan receivables securitisation transactions originated by multiple originators and arranged by Vivriti Capital Limited

### Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. crore)	Amount O/s after Last Surveillance (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Vivriti CABSEC 009 2019	PTC Series A1	52.63	0.58	0.00	[ICRA]D(SO); Withdrawn
	PTC Series A2	3.90	3.90	0.00	[ICRA]D(SO); Withdrawn

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the ratings for the pass through certificates (PTCs) issued under a microfinance loan receivables transaction originated by multiple originators and arranged by Vivriti Capital Limited. The transaction was backed by the microfinance loan receivables originated by four originators, namely Digamber Capfin Limited (Digamber), M Power Micro Finance Private Limited (M Power), Sambandh Finserve Private Limited (Sambandh) and Inditrade Microfinance Limited (Inditrade). At time of the last rating exercise, sub-pool originated by Sambandh was still part of the transaction. As now informed by the trustee to ICRA, no further payments are due to the PTC investors.

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liquidity position, rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn.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

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA's Policy on Withdrawal of Credit Rating</a> <a href="#">Policy on Default Recognition</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

### About the originator

#### Sambandh Finserve Private Limited

Sambandh Finserve Private Limited (erstwhile Modline Build-cap Private Limited) was incorporated in July 1996. The microfinance activities were started by the company's promoters in 2006 as a project under the Regional Rural Development Centre (RRDC). It converted into a non-banking financial company (NBFC) in 2009 and secured an NBFC-microfinance institution (NBFC-MFI) licence from the Reserve Bank of India (RBI) in 2013. Its corporate and registered offices are in Rajgangpur, Odisha. The company is currently under legal investigation for inflating its AUM and client base and for siphoning and diversion of the company's funds.

Key financial indicators: Not available

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Trust Name	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years					
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date and Rating in FY2024		Date and Rating in FY2023	Date and Rating in FY2022			Date and Rating in FY2021	
				Nov 17, 2023	Oct 16, 2023		Oct 17, 2022	Oct 25, 2021	Jun 04, 2021	Oct 21, 2020	Jun 02, 2020*
1 Vivriti CABSEC 009 2019	PTC Series A1	52.63	0.00	[ICRA]D(SO); withdrawn	[ICRA]D(SO)	[ICRA]D(SO)	[ICRA]D(SO)	[ICRA]B-(SO)	[ICRA]B(SO)@	[ICRA]A-(SO)	
	PTC Series A2	3.90	0.00	[ICRA]D(SO); withdrawn	[ICRA]D(SO)	[ICRA]D(SO)	[ICRA]D(SO)	[ICRA]C(SO)	[ICRA]B(SO)@	[ICRA]BBB-(SO)	

\*Final rating assigned; @ Under Watch with Negative Implications

### Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Vivriti CABSEC 009 2019	PTC Series A1	Moderately Complex
	PTC Series A2	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 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, is available on ICRA's website [Click here](#)

**Annexure I: Instrument details**

Trust Name	Instrument Type	Date of Issuance	Coupon Rate	Initial Final Maturity Date	Amount Rated (Rs. crore)	Current Rating
<b>Vivriti CABSEC 009 2019</b>	PTC Series A1	December 2019	10.50%	October 2021	0.00	[ICRA]D(SO); Withdrawn
	PTC Series A2		15.00%		0.00	[ICRA]D(SO); Withdrawn

*Source: Company*

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

Not Applicable

## ANALYST CONTACTS

### Abhishek Dafria

+91 22 6114 3440

[abhishek.dafria@icraindia.com](mailto:abhishek.dafria@icraindia.com)

### Sumit Pramanik

+91 22 6114 3462

[sumit.pramanik@icraindia.com](mailto:sumit.pramanik@icraindia.com)

### Sheetal Nayak

+91 22 6114 3445

[sheetal.nayak@icraindia.com](mailto:sheetal.nayak@icraindia.com)

### Sachin Joglekar

+91 22 6114 3470

[sachin.joglekar@icraindia.com](mailto:sachin.joglekar@icraindia.com)

### Vishal Oza

+91 22 6114 3432

[vishal.oza@icraindia.com](mailto:vishal.oza@icraindia.com)

## RELATIONSHIP CONTACT

### L Shivakumar

+91 22 6169 3304

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

### Ms. Naznin Prodhani

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

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

[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



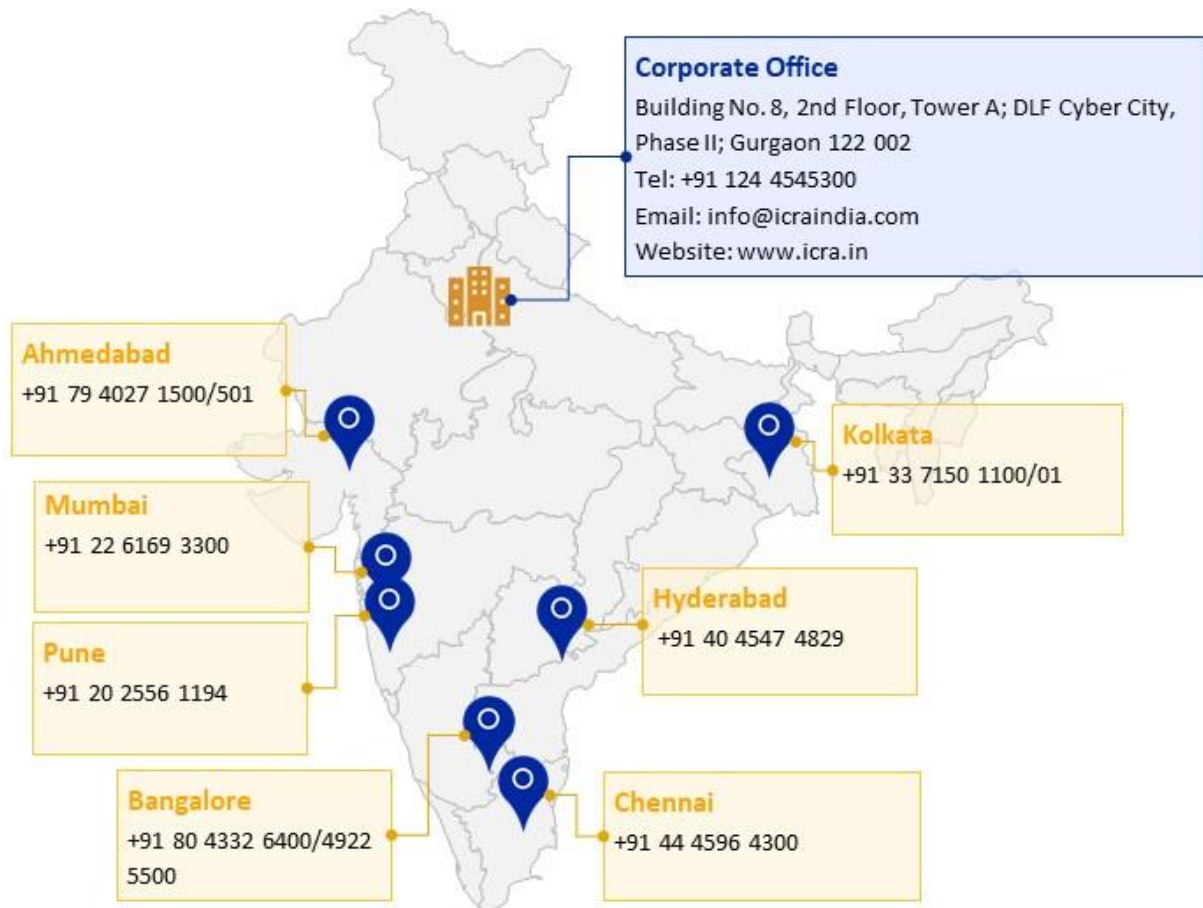
### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.