

May 14, 2024

CreditAccess Grameen Limited: Rating withdrawn for matured instruments

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund based – Term loan	6,080.00	6,080.00	[ICRA]AA- (Stable); outstanding
Non-convertible debentures	145.00	145.00	[ICRA]AA- (Stable); outstanding
	39.00	0.00	[ICRA]AA- (Stable); withdrawn
Commercial paper	500.00	500.00	[ICRA]A1+; outstanding
Subordinated debt	50.00	0.00	[ICRA]AA- (Stable); withdrawn
Total	6,814.00	6,725.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the [ICRA]AA- (Stable) rating assigned to Rs. 39.0 crore of non-convertible debenture programme and Rs. 50.00 crore of subordinated debenture programme of CreditAccess Grameen Limited as there are no obligations outstanding against the rated instruments. This is in accordance with ICRA's policy on the withdrawal of credit ratings. The previous detailed rating rationale, which captures the key rating drivers and their description, liquidity position, rating sensitivities and key financial indicators is available at the following link: [Click here](#).

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the standalone financials ¹

About the company

CreditAccess Grameen Limited (CA Grameen) commenced microfinance operations under the leadership of Mrs. Vinatha M Reddy in 1999 as a division under T. Muniswamappa Trust (TMT), a registered public charitable trust/non-governmental organisation (NGO). This microfinance programme was transferred and transformed into an NBFC in 2007-08. CreditAccess India acquired a majority stake in the company in FY2014 and currently owns 66.8%. CA Grameen got listed in FY2019 and it acquired 76% in MMFL in FY2020. MMFL was amalgamated with CA Grameen effective February 15, 2023. CA Grameen is engaged predominantly in microlending activities in Karnataka, Maharashtra, Tamil Nadu, Madhya Pradesh, Chhattisgarh, etc. As on June 30, 2023, it had a portfolio of Rs. 21,814 crore serving borrowers across 353 districts.

¹ MMFL was amalgamated with CA Grameen with effect from February 15, 2023; until the amalgamation, consolidated financials of CA Grameen and MMFL has been considered.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)				Chronology of Rating History for the Past 3 Years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023		Date & Rating in FY2022	
					May-14-2024	Oct-19-2023	Mar-28-2023	Jun-24-2022	Dec-24-2021	Aug-10-2021
1	NCD	LT	145.00	145.00	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)
			39.00	0.00	[ICRA]AA-(Stable); withdrawn	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)
2	Long term-fund based-Term loan	LT	6,080.00	6,080.00	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)
3	CP	ST	500.00	500.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
4	Subordinated debt	LT	50.00	0.00	[ICRA]AA-(Stable); withdrawn	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	-	-	-

Source: Company; LT – Long term; ST – Short term

Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD	Simple
CP	Very Simple
Long-term fund based – Term loan	Simple
Subordinated debt	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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Date of Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term fund based – Term loan	Sep-30-20 to Sep-28-23	NA	Oct-05-23 To Aug-28-26	6,062.65	[ICRA]AA- (Stable)
NA	Long-term fund based – Term loan (proposed)	NA	NA	NA	17.35	[ICRA]AA- (Stable)
INE741K07223	NCD	Sep-28 -17	11.47-11.68%	Sep-28-23	39.00	[ICRA]AA- (Stable); withdrawn
INE741K07405	NCD	Mar-31-21	9.85%	Mar-31-26	145.00	[ICRA]AA- (Stable)
INE500S08018	Subordinated debt	Mar-30-17	14.25%	Mar-29-24	50.00	[ICRA]AA- (Stable); withdrawn
NA	CP (proposed)	-	-	-	500.00	[ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not applicable

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