

April 02, 2025

## Gove Finance Limited: Rating withdrawn

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Fixed Deposit Programme	-	-	[ICRA]BBB (Stable); Withdrawn
<b>Total</b>	-	-	

\*Instrument details are provided in Annexure I

### Rationale

The rating outstanding for the fixed deposit programme of Gove Finance Limited (GFL) has been withdrawn at the company's request and based on the redemption of all the deposits outstanding in full along with applicable interest. ICRA has received a no dues certificate from an auditor confirming the same. Further, ICRA notes that the company has surrendered its license for accepting deposits, and has become a non-deposit accepting non-banking financial company from March 03, 2025 onwards. The rating action is in accordance with ICRA's policy on withdrawal of credit ratings.

The key rating drivers and their description, liquidity position and rating sensitivities have not been captured as the rated instruments are being withdrawn.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	<a href="#">Policy on withdrawal of credit ratings</a> <a href="#">ICRA's Credit Rating Methodology for Non-banking Finance Companies (NBFCs)</a>
Parent/Group support	VST Group
Consolidation/Standalone	The rating is based on the standalone financial statements of GFL

### About the company

Gove Finance Limited (GFL) is a non-banking financial company (NBFC) incorporated in 1983. It is a part of the VST Group, which has operations across sectors such as automobile dealerships, manufacturing, tillers, construction, and non-banking finance. GFL is primarily involved in the financing of CVs and cars, both new and used. The company has historically relied on retail funding sources (fixed deposits) while access to banking/wholesale credit facilities is limited. Operations are restricted to Tamil Nadu and Karnataka.

The company reported a net profit of Rs. 4.1 crore in FY2024 on a total asset base of Rs. 104.9 crore and Rs. 4.2 crore in FY2023 on a total asset base of Rs. 70.9 crore.

### Key financial indicators (audited)

Gove Finance Limited	FY2023	FY2024
Total income (Rs. crore)	12.2	16.4
Profit after tax (Rs. crore)	4.2	4.1
Total managed assets (Rs. crore)	70.9	104.9
Return on managed assets (%)	6.4%	4.7%
Gearing (reported; times)	0.9	1.5
Gross NPA (90+ dpd) %	0.6%	6.8%
CRAR (%)	58.4%	47.0%

Source: Company, ICRA Research; All ratios as per ICRA's calculations

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

**Any other information: None**

### Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	FY2026			FY2025		FY2024		FY2023	
	Type	Amount rated (Rs. crore)	Apr-02- 2025	Date	Rating			Date	Rating
Fixed deposit programme	Long term	-	[ICRA]BBB (Stable); withdrawn	Apr-17-2024	[ICRA]BBB (Stable)	Jun-30-2023	[ICRA]BBB- (Stable)	Jun-21-2022	[ICRA]BBB- (Stable)
				May-15-2024	[ICRA]BBB (Stable)				

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Fixed deposit programme	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 Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fixed deposit programme	NA	NA	NA	NA	[ICRA]BBB (Stable); withdrawn

Source: Company

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

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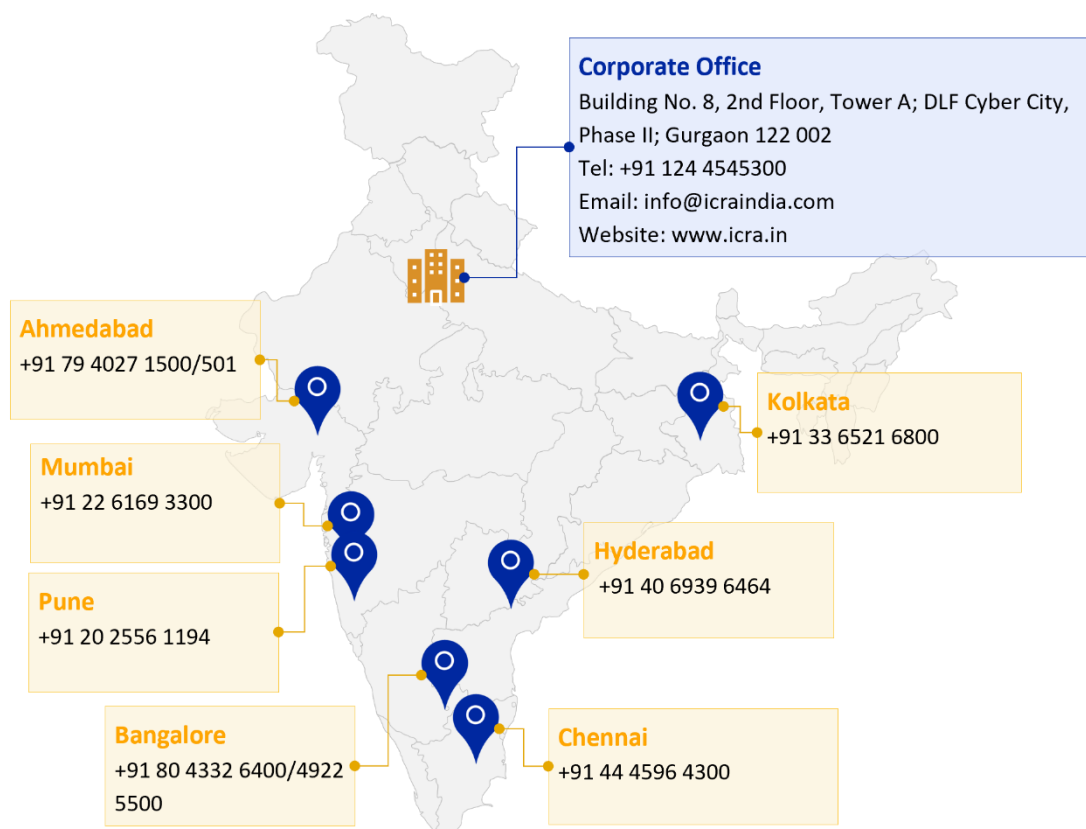
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