

July 16, 2025

Share Microfin Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based term loan	200.00	200.00	[ICRA]BB+ (Negative); withdrawn
Total	200.00	200.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Share Microfin Limited (SML) at the request of the company and in accordance with ICRA's policy on the withdrawal of credit ratings. 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 and their description, liquidity position, key financial indicators and rating sensitivities have not been captured as the rated instrument is being withdrawn. The previous detailed rating rationale is available at the following link:

[Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Finance Companies ICRA's Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the standalone financial statements of SML

About the company

SML is a non-deposit accepting non-banking financial company-microfinance institution (NBFC-MFI), incorporated as a public limited company in 1999. It provides microfinance loans to women from the weaker sections of society under the joint liability group (JLG) model. Mr. M. Udaia Kumar is the founder of the company.

SML was impacted by the Andhra Pradesh Microfinance Institutions Ordinance, 2010, as it had sizeable exposure in the state. The company was admitted to corporate debt restructuring (CDR) in September 2011. Subsequently, a Scheme of Arrangement, approved by the High Court of Hyderabad, was implemented. While SML was vested with the non-Andhra Pradesh (AP) and Telangana (TS) business, the AP and TS business was vested with another entity – Asmitha Microfin Limited (Asmitha). Subsequently, the company, through the proceeds from a direct assignment (DA) transaction, paid all its debt obligations (debt principal, interest, optionally convertible redeemable preference shares (OCCRPS), OCCRPS redemption premium) to all the lenders on March 29, 2023, as laid down by the payment agreement with these lenders.

SML's operations are geographically diversified with a presence in 18 states across 294 districts and 717 branches. Its assets under management (AUM) stood at Rs. 298.1 crore as of December 2024 (Rs. 550.0 crore as of March 2024).

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					
	Type	Amount rated (Rs. crore)	Jul-16-2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund based – Term loan	Long term	200.00	[ICRA]BB+ (Negative); withdrawn	Mar-04-2025	[ICRA]BB+ (Negative)	Apr-28-2023	[ICRA]D; withdrawn	Nov-30-2022	[ICRA]D
-	-	-	-	May-28-2024	[ICRA]BBB- (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based term loan	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	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA*	Long-term fund-based term loan	NA	NA	NA	200.00	[ICRA]BB+ (Negative); withdrawn

Source: Company; *Proposed limit

[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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