Mas Financial Services Limited

April 01, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures	400.00	CARE AA-; Stable	Revised from CARE A+; Positive
Non-convertible debentures	250.00	CARE AA-; Stable	Revised from CARE A+; Positive
Subordinated Debt	200.00	CARE AA-; Stable	Revised from CARE A+; Positive
Long-term bank facilities	8,000.00	CARE AA-; Stable	Revised from CARE A+; Positive
Market-linked debentures	75.00	CARE PP-MLD AA-; Stable	Revised from CARE PP-MLD A+; Positive
Market-linked debentures	100.00	CARE PP-MLD AA-; Stable	Revised from CARE PP-MLD A+; Positive
Market-linked debentures	125.00	CARE PP-MLD AA-; Stable	Revised from CARE PP-MLD A+; Positive
Subordinated Debt	100.00	CARE AA-; Stable	Revised from CARE A+; Positive
Subordinated Debt	100.00	CARE AA-; Stable	Revised from CARE A+; Positive
Commercial paper	250.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The revision in the ratings assigned to long-term bank facilities and various long term debt instruments of MAS Financial Services Limited (MFSL) factors in the continued growth momentum in the overall business with scale up of asset under management (AUM) which stood at over ₹10,000 crore (consolidated) as on December 31, 2023, relatively stable asset quality and stable profitability levels demonstrated in the past many years.

Ratings continue to derive strength from long-standing track record of MFSL in the lending business, experienced promoters and senior management team, diversification in the loan book with presence in micro enterprise (ME) loans, small and medium enterprises (SMEs), two-wheeler loans, commercial vehicle (CV) loans, and salaried personal loan book as well as tie-up with multiple NBFCs for sourcing business and co-lending agreements, established appraisal systems, comfortable capitalisation levels and diversified resource profile. The company also regularly raising funds through the direct assignment (DA) which has helped the company scale up AUM on a relatively lower net worth base as well as maintaining a comfortable liquidity profile.

Ratings are constrained by its relatively concentrated customer profile on account of exposure to lending to NBFCs which stood at 32.93% of AUM as on December 31, 2023, moderate geographical diversification, its exposure to the ME which are largely unsecured and exposure to the SME sector, relatively riskier in nature, and the moderate gearing levels.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could, individually or collectively lead to positive rating action/upgrade:

- Significant and consistent scale-up of operations along with improved geographic diversification & stable asset quality performance
- Improvement in the financial performance with return on total assets (ROTA) of around 3.0% on a sustained basis

Negative factors: Factors that could, individually or collectively lead to negative rating action/ downgrade:

- Weakening of asset quality parameters, with NS3/ NNPA of above 2% on a sustained basis.
- Overall gearing exceeding 4.5x or AUM (including co-lending and assignments) to net worth exceeding 6.5x.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

- Significant decline in profitability with ROTA below 1.0%

Analytical approach: Consolidated

CARE Ratings Limited (CARE Ratings) has considered the consolidated financials of MFSL, including its subsidiary, viz., MAS Rural Housing and Mortgage Finance Limited (MRHMFL), in which MFSL holds 59.67% shareholding.

Outlook: Stable

The 'Stable' outlook is on account of expectation of the company's ability to demonstrate consistent business growth while maintaining profitability and asset quality parameters in the medium term and operating with a gearing below 4.5x.

Detailed description of the key rating drivers

Key strengths

Long-standing track record, promoters' experience in the lending business and experienced senior management team with established credit appraisal systems

The promoters of MFSL have an established track record of over two decades in the lending business. MFSL initially started its lending activities in the state of Gujarat and has gradually ventured and established its footprint in eight other states. It has expanded its operations across 181 branches at a standalone level and 81 branches of its housing finance company (HFC) subsidiary as on December 31, 2023. The company is present in around 11,450 customer locations and caters to funding requirement of over 8,50,000 active customers. As of December 31, 2023, the company had 167 strategic partnered NBFCs. The NBFC partner is responsible for both sourcing the end customer and managing the risk of default.

Furthermore, the senior management team of MFSL comprises experienced professionals who have been in the lending business and have been associated with MFSL since its inception. These personnel continue to head the main functions at MFSL. The company has established credit appraisal processes that is centralised and is reviewed & revised if required at regular intervals based on experience in the market. Sanctions are accorded by the centralised credit team, whereas sourcing and collection functions are conducted at the branch level. Multiple checks are carried out at centralised units prior to disbursement.

Comfortable capitalisation and diversified resource base

The company has been maintaining comfortable capital adequacy over the years largely through accretion of profits and its tangible net worth (consolidated) stood at ₹1,523 crore as on March 31, 2023 (₹1,728 crore as on December 31, 2023). The company came out with an initial public offering (IPO) of equity shares in October 2017, where it raised equity capital of ₹233 crore. Prior to the IPO, MFSL had raised ₹100 crore in March, 2017 and ₹35 crore in April 2017 in the pre-IPO round of funding. The promoter shareholding stood at 73.73% as on December 31, 2023.

The company is in the process of raising equity capital up to ₹700 crore anytime the next one year to further strengthen its capital base and fund future growth.

MFSL has been assigning part of its loan portfolio over the past few years (off-book constituting around 22% of the AUM as on December 31, 2023), which apart from internal accruals, has helped the company raise resources and scale up AUM while maintaining a relatively lower net worth base. The company has a stated plan to maintain off-balance sheet proportion up to 25% of AUM.

The company's overall gearing increased over the last two years and stood at 4.02x as on March 31, 2023 (4.17x as on December 31, 2023), as compared with 3.27x as on March 31, 2022, as it witnessed an increase in debt during the period.

CARE Ratings expects the consolidated gearing levels to remain below 4.5x on a steady state basis and consolidated AUM / Net worth ratio to remain below 6.5x on a steady state basis.

The company reported a capital adequacy ratio (CAR) of 25.25% (24.47% as on December 31, 2023) with Tier-I CAR of 20.79% (20.59% as on December 31, 2023) as on March 31, 2023, as compared with CAR of 26.35% with Tier-I CAR of 23.08% as on March 31, 2022 having comfortable cushion over the minimum regulatory requirement of 15% for CAR. CARE Ratings expects the overall capitalisation level to remain adequate in the medium term.

Over the years, MFSL has developed a diversified resources profile with relations with around 41 banks, NBFCs, and other financial institutions for meeting its borrowing requirements, through loans, capital market instruments as well as direct assignment (DA) of loans and co-lending agreements based on which MFSL is able to raise resources in a timely manner, thereby providing significant financial flexibility to MFSL.

Diversified loan portfolio

The company's loan portfolio, on a consolidated basis, consists of ME loans which is unsecured in nature, SME loans which is secured, two-wheeler loans, CV loans, salaried unsecured personal loans, and housing finance loans. MFSL was initially engaged in the lending of two-wheelers and ME loans, and later on forayed into SME loans, CV loans, housing loans and salaried personal loans. The company has a subsidiary, MRHMFL (rated 'CARE A; Positive'), in which MFSL holds 59.67% shareholding, while the remaining shareholding is held by the promoters of MFSL. The housing loan portfolio is housed in MRHMFL and constituted 4.86% of the AUM as on March 31, 2023 and stood at 5.32% as on December 31, 2023.

During FY23, the company has started a new product, namely, personal loans to salaried customers, which is sourced directly and through fintech partners by the company, as on December 31, 2023 its book stood at ₹544.5 crore, which is 5.33% of the consolidated AUM. The company expects a cautious growth in this segment owing to the evolving regulatory scenario in the digital lending space.

MFSL also assigns its loan portfolio to other lenders and enters into the co-lending agreement; as on 31st March, 2023 the off-book was around 19% (during 9MFY24 off book stood at 22%) of the consolidated AUM as compared with 24% as on March 31, 2021. Major chunk of off-book consist of DA with relatively small portion from co-lending. CARE Ratings expects that the off-book will be maintained at 20-25% of the consolidated AUM.

The consolidated AUM stood at ₹8,506 crore (9MFY24: 10,216 crore) as on March 31, 2023 as compared to ₹6,565 crore as on March 31, 2022, of which micro enterprise loans constituted 46% (9MFY24: 43% and FY22: 49%), SME Loans constituted 35% (9MFY24: 34% and FY22: 35%), two-wheeler loans constituted 6.5%(9MFY24: 6.5% and FY22: 6%), CV loans constituted 4% (9MFY24: 6.5% and FY22: 5%), Salaried Personal loans constituted 3.5% (9MFY24: 5% and FY22: NIL) and housing finance loans constituted around 5% (9MFY24: 5% and FY22: 5%) of AUM.

Comfortable asset quality parameters

Over the years, MFSL has maintained comfortable asset quality parameters. The company witnessed a decrease in gross stage 3 (GS3) ratio and an increase in net stage 3 (NS3) ratio (on-book basis) from 2.06% and 1.18%, respectively, as on March 31, 2022, to 2.02% and 1.21%, respectively, as on March 31, 2023 (9MFY24: 2.32% and 1.30%, respectively). The provision coverage ratio for the NPA stood at 40.20% as on March 31, 2023, (9MFY24: 43.95%) as compared to 42.61% as on March 31,

2022. The company held a management and macro-economic overlay of ₹20.03 crore as on March 31, 2023 (9MFY24: ₹18.79 crores) as compared to ₹37.84 crore as on March 31, 2022.
The company's restructured loan portfolio stood at ₹4.14 crore of loans, constituting 0.05% of MFSL loan book as on December 31, 2023, and Emergency Credit Line Guarantee Scheme (ECLGS) stood at ₹3.62 crore of the loans, constituting 0.05% of MFSL loan book as on December 31, 2023.

Total net stressed assets as a percentage of net advances (Net NPA + Net Restructured Accounts + Security Receipts) constituted 1.46% as on March 31, 2023 (1.40% December 31, 2023) and 6.29% as on March 31, 2023 (6.20% December 31, 2023) net stressed assets as a percentage of net worth as on December 31, 2023.

The slippages are mainly driven by direct exposure, while the asset quality remains comfortable due to the less delinquencies in the loans to NBFCs and NBFC-microfinance institutions (MFIs), majority of which have a comfortable financial risk profile. Also, these loans are backed by security deposits in the form of cash collateral (CC) and corporate or personal guarantees taken by MFSL from the NBFCs and NBFC-MFIs. The collection efficiency for FY23 stood at 97.34% while 98.03% for 9MFY24.

Stable financial risk profile

During FY23, the company witnessed a growth in disbursements, as the consolidated disbursement was ₹9,317 crore (9MFY24: ₹7,617 crore) as compared to ₹6,185 crore during FY22. The consolidated total income increased to ₹991 crore in FY23 (9MFY24: ₹947 crore) from ₹691 crore in FY22 and the consolidated pre-provision operating profit (PPOP) increased to ₹325 crore for FY23 (9MFY24: ₹315 crore) from ₹252 crore for FY22 due to an increase in the interest income.

MFSL's profitability is also supported by a gain on DA income, which is now recorded on an upfront basis under Ind-AS, which was ₹71 crore for FY23 (9MFY24: ₹87 crore) as compared to ₹66 crore for FY22. Till 31st December 2022, gain on assignment of financial asset was amortised over the period of the underlying residual tenure of the assigned loan portfolio. However, In Q4FY23, the company received a directive from the Reserve Bank of India (RBI) to book such gain upfront in the statement of profit and loss in accordance with Ind AS 109 instead of amortising it over the period of the underlying residual tenure of the assigned loan portfolio. Accordingly, gain on assignment had decreased by ₹1.56 crore in FY23 and increased by ₹6.62 crores in 9MFY24.

The consolidated profit-after-tax (PAT) for FY23 was ₹206 crore (9MFY24: ₹184 crore) as compared to ₹161 crore for FY22, showing a growth of 27.7%. Net income margin (NIM), at a consolidated level for FY23, stood at 4.86% (9MFY24: 4.95%) as compared to 4.36% for FY22. ROTA, at a consolidated level for FY23, stood at 2.88% (9MFY24: 2.85%) as compared to 2.75% for FY22. The ROTA for FY23, after adjusting the off-book portfolio, stood at 2.40% (9MFY24: 2.33%) as compared to 2.26% for FY22.

Key weaknesses

Relatively concentrated customer profile

MFSL, on a consolidated basis, has a significant proportion of the AUM – around 36.43% as on March 31, 2023 (32.93% as on December 31, 2023) – through its relationships with NBFCs and MFIs. As a result, MFSL has high customer concentration. As on March 31, 2023, top 10 exposures of MFSL accounted to 56.58% of its tangible net worth (41.40% as on December 31, 2023) and 10.65% of its AUM (7.29% as on December 31, 2023). Although the present credit profile of the top exposures is moderate, any deterioration in credit quality of these exposures may lead to a sharp increase in the NPA levels of MFSL.

Company expects the proportion of indirect lending through these NBFCs and MFIs to reduce in the medium term, the credit quality of its large exposures will remain a key credit monitorable.

Exposure to relatively riskier micro enterprises and SME sectors

The portfolio of MFSL comprises retail products like ME loans which are unsecured, SME loans, two-wheeler loans, and CV loans, which are high-yield-generating and low-price-sensitive segments, and at the same time, are relatively riskier in nature. The MSME loan book constituted 81% of the overall AUM as on March 31, 2023 and 76% as on December 31, 2023, of which ME loans constituted 46% (42% as on December 31, 2023) and SME loans constituted 35% as on March 31, 2023 (34% as on December 31, 2023).

Furthermore, as on March 31, 2023, 64% of the AUM was through direct sourcing as compared to 53% as on March 31, 2022 (67% as on December 31, 2023), while the remaining 36% was loans to NBFCs as compared to 47% as on March 31, 2022 (33% as on December 31, 2023). In respect of NBFC exposures, MFSL insists for cash collateral. Around 5-15% cash collateral and corporate or personal guarantees taken by MFSL from the NBFCs.

Moderate geographical diversification

The lending activities of MFSL are directly carried out in eight states and Delhi-NCR. MFSL initially started its lending activities in the state of Gujarat and has gradually ventured and established its footprint into eight other states – Rajasthan, Maharashtra, Madhya Pradesh, Karnataka, Tamil Nadu, Uttarakhand, Chhattisgarh, and Delhi.

As on March 31, 2023, around 50.7% of the loan portfolio of MFSL accounts to Gujarat (45.1% as on December 31, 2023) as compared with 52.5% as on March 31, 2022, driven by operational familiarity of the promoters with the Gujarat market, and the top three states comprised 73.5% of the loan portfolio as on March 31, 2023 (70.9% as on December 31, 2023) as compared with 72.8% as on March 31, 2022.

In addition, a significant amount of MFSL's lending activities are carried out through NBFCs and NBFC-MFIs, which has helped the company to geographically diversify its exposure to other states.CARE Ratings expects the geographical concentration in these states to reduce gradually, as the company has been expanding its operations in both, existing as well as newer geographies.

Liquidity: Adequate

MFSL's liquidity remained comfortable considering its strong and diversified resource base and a good amount of unutilised bank limits. Its asset liability maturity (ALM) had no cumulative mismatches on a standalone basis as on December 31, 2023. MFSL (standalone) had debt repayment of ₹3450.53 crore up to 1 year against inflows from loan portfolio of ₹4422.89 crore up to 1 year. MFSL, on a standalone basis, has a sanction-on-hand of ₹2,266 crore. Furthermore, MFSL has a free cash and bank balance (including liquid investment) of around ₹1,553 crore as on December 31, 2023, on a standalone basis, which can take care of the upcoming six months standalone principal debt servicing obligations.

Environment, social, and governance (ESG) risks

The company adopted ESG in FY23 to establish objectives and targets in FY24. MFSL formed an ESG committee to implement and monitor activities related to environment, social, and governance aspects. The company endeavours to create awareness among all stakeholders on the importance of environment conservation and protection. The company also encourages promoting eco-friendly products across value-chains. The company is committed to optimise electricity/energy and water resources to reduce carbon and water footprints and minimise waste at all physical locations of the business. The company also strives to adopt renewable sources of energy wherever possible. The company's commitment lies in aligning its ESG efforts with business goals, implementing a comprehensive strategy for sustainability and long-term stakeholder value.

Applicable criteria

Consolidation
Financial Ratios - Financial Sector
Market Linked Notes
Non Banking Financial Companies
Policy on default recognition
Rating Outlook and Credit Watch

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic industry
Financial Services	Financial Services	Finance	Non-banking financial company (NBFC)

MFSL was incorporated in the year 1995 by Kamlesh Gandhi and Mukesh Gandhi. The company was registered as an NBFC in 1998 with the RBI. It was initially engaged in the lending of two-wheeler and ME loans, and later on, forayed into CV loans, SME loans, salaried personal loans, and housing loans. In 2008, MFSL floated a subsidiary, MRHMFL (rated 'CARE A; Positive), a non-deposit-taking, National Housing Bank (NHB) registered HFC, which provides housing loans to the low-income group segment in rural and semi-urban areas. The lending activities of MFSL are carried out by it directly through its own network of 181 branches at a standalone level and 81 branches of its HFC subsidiary as on December 31, 2023, in Eight states, Gujarat, Rajasthan, Maharashtra, Madhya Pradesh, Karnataka, Tamil Nadu, Uttarakhand, Chhattisgarh, and Delhi including NCR, alongside other smaller NBFCs and MFIs. As on December 31, 2023, MFSL had relationships with 167 NBFCs and NBFC-MFIs and around 34% of the total AUM of MFSL was built through these NBFCs and NBFC-MFIs. As on March 31, 2023, the consolidated AUM stood at ₹8,506 crore (December 31, 2023: ₹10,216 crore) as compared to ₹6,565 crore as on March 31, 2022, of which micro enterprise loans constituted 46% (9MFY24: 43% and FY22: 49%), SME Loans constituted 35% (9MFY24: 34% and FY22: 35%), two-wheeler loans constituted 6.5%(9MFY24: 6.5% and FY22: 6%), CV loans constituted 4% (9MFY24: 6.5% and FY22: 5%), Salaried Personal loans constituted 3.5% (9MFY24: 5% and FY22: NIL) and housing finance loans constituted around 5% (9MFY24: 5% and FY22: 5%) of AUM. The company's business is present in around 11,450 locations and caters to the funding requirements of around 850,000+ live customers. In October 2017, MFSL came out with an IPO and raised fresh an equity capital of ₹233 crore. MFSL had also raised ₹135 crore in a pre-IPO round of funding through issue of shares to the Motilal Oswal group. MFSL's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	December 31, 2023 (UA)*
Total income	628	691	990	947
PAT	146	161	206	184
Total Assets	5,405	6,294	7,993	9,189
Net NPA (%)-Standalone	0.99	1.18	1.21	1.30
ROTA (%)	2.85	2.75	2.88	2.85

A: Audited; UA: Unaudited; *Annualised. Note: These are latest available financial results.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer to Annexure-2

Covenants of rated instruments/facilities: Detailed explanation of covenants of rated instruments/facilities is given in Annexure-3

Complexity level of instruments rated for this company: Annexure-4

Lender details: Annexure-5

List of all the entities consolidated: Annxure-6

Annexure-1: Details of instruments/facilities

Name of the Instrument/Bank Facilities	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	June 30, 2027	6,000	CARE AA-; Stable
Fund-based - LT-Cash Credit	-	-	-	-	2,000	CARE AA-; Stable
Debentures-Market Linked Debentures	INE348L07100	November 25, 2021	8.50%	January 25, 2024*	100	CARE PP-MLD AA-; Stable
Debentures-Market Linked Debentures	INE348L07134	July 29, 2022	8.60%	January 29, 2024*	100	CARE PP-MLD AA-; Stable
Debentures-Market Linked Debentures	INE348L07142	December 01, 2022	8.90%	December 03, 2024	100	CARE PP-MLD AA-; Stable
Debentures-Non-convertible Debentures	INE348L07126	June 22, 2022	8.93%	June 21, 2024	50	CARE AA-; Stable
Debentures-Non-convertible Debentures	INE348L07159	September 28, 2023	9.75%	September 28, 2026	100	CARE AA-; Stable
Debentures-Non Convertible Debentures	INE348L07167	January 16, 2024	8.60%	July 16, 2025	100	CARE AA-; Stable
Debentures-Non Convertible Debentures	INE348L07175	February 21, 2024	9.75%	August 21, 2025	125	CARE AA-; Stable
Debentures-Non-convertible Debentures (Proposed)	-	-	-	-	275	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08041	October 20, 2021	10.75%	May 20, 2027	50	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08058	December 29, 2021	10.75%	December 29, 2027	50	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08066	September 29, 2022	10.75%	April 28, 2028	25	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08074	December 21, 2022	10.75%	December 21, 2028	35	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08082	March 10, 2023	10.75%	October 10, 2028	50	CARE AA-; Stable
Debentures-Subordinated Bonds	INE348L08090	March 27, 2023	10.75%	October 27, 2028	50	CARE AA-; Stable

Name of the Instrument/Bank Facilities	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating assigned along with Rating Outlook
Debentures-Subordinated Bonds	INE348L08108	December 08, 2023	10.75%	July 08, 2029	50	CARE AA-; Stable
Debentures-Subordinated Bonds (Proposed)	-	-	-	-	90	CARE AA-; Stable
Commercial Paper (Proposed)	-	-	-	7-364 days	250	CARE A1+

*NCD redeemed but not withdrawn.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	6000.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23) 2)CARE A+; Stable (16-Sep-22) 3)CARE A+; Stable (02-May-22)	1)CARE A+; Stable (14-Sep-21)	1)CARE A+; Stable (15-Sep-20)
2	Fund-based - LT-Cash Credit	LT	2000.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23) 2)CARE A+; Stable (16-Sep-22) 3)CARE A+; Stable (02-May-22)	1)CARE A+; Stable (14-Sep-21)	1)CARE A+; Stable (15-Sep-20)
3	Fund-based - ST-Working Capital Limits	ST	-	-	-	-	-	1)Withdrawn (15-Sep-20)
4	Commercial Paper-Commercial Paper (Standalone)	ST	250.00	CARE A1+	1)CARE A1+ (18-Jan-24)	1)CARE A1+ (02-Mar-	1)CARE A1+ (14-Sep-	1)CARE A1+ (15-Sep-20)

					2)CARE A1+ (21-Sep-23)	23) 2)CARE A1+ (16-Sep-22) 3)CARE A1+ (02-May-22)	21)	
5	Debentures-Non Convertible Debentures	LT	250.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23) 2)CARE A+; Stable (16-Sep-22) 3)CARE A+; Stable (02-May-22)	1)CARE A+; Stable (14-Sep-21)	1)CARE A+; Stable (15-Sep-20) 2)CARE A+; Stable (25-May-20)
6	Debentures-Market Linked Debentures	LT	-	-	1)Withdrawn (18-Jan-24) 2)CARE PP-MLD A+; Positive (21-Sep-23)	1)CARE PP-MLD A+; Stable (02-Mar-23) 2)CARE PP-MLD A+; Stable (16-Sep-22) 3)CARE PP-MLD A+; Stable (02-May-22)	1)CARE PP-MLD A+; Stable (14-Sep-21)	1)CARE PP-MLD A+; Stable (31-Mar-21)
7	Debentures-Market Linked Debentures	LT	75.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD A+; Positive (18-Jan-24) 2)CARE PP-MLD A+; Positive (21-Sep-23)	1)CARE PP-MLD A+; Stable (02-Mar-23) 2)CARE PP-MLD A+; Stable (16-Sep-22) 3)CARE PP-MLD	1)CARE PP-MLD A+; Stable (14-Sep-21) 2)CARE PP-MLD A+; Stable (17-Jun-21)	-

						A+; Stable (02-May-22)		
8	Bonds-Subordinated	LT	100.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23) 2)CARE A+; Stable (16-Sep-22) 3)CARE A+; Stable (02-May-22)	1)CARE A+; Stable (27-Sep-21)	-
9	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD A+; Positive (18-Jan-24) 2)CARE PP-MLD A+; Positive (21-Sep-23)	1)CARE PP-MLD A+; Stable (02-Mar-23) 2)CARE PP-MLD A+; Stable (16-Sep-22) 3)CARE PP-MLD A+; Stable (02-May-22)	1)CARE PP-MLD A+; Stable (21-Oct-21)	-
10	Bonds-Subordinated	LT	100.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23) 2)CARE A+; Stable (16-Sep-22) 3)CARE A+; Stable (02-May-22)	-	-
11	Debentures-Market Linked Debentures	LT	125.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD A+; Positive (18-Jan-24) 2)CARE PP-MLD A+; Positive	1)CARE PP-MLD A+; Stable (02-Mar-23) 2)CARE PP-MLD	-	-

					(21-Sep-23)	A+; Stable (16-Sep-22) 3)CARE PP-MLD A+; Stable (02-May-22)		
12	Bonds-Subordinated	LT	200.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24) 2)CARE A+; Positive (21-Sep-23)	1)CARE A+; Stable (02-Mar-23)	-	-
13	Debentures-Non Convertible Debentures	LT	400.00	CARE AA-; Stable	1)CARE A+; Positive (18-Jan-24)	-	-	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of Instrument	Complexity Level
1	Bonds-Subordinated	Simple
2	Commercial Paper-Commercial Paper (Standalone)	Simple
3	Debentures-Market Linked Debentures	Highly Complex
4	Debentures-Non-convertible Debentures	Simple
5	Fund-based - LT-Cash Credit	Simple
6	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Annexure-6: List of all the entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	MAS Rural Housing and Mortgage Finance Limited	Full	MFSL holds 59.67% shareholding in MRHFL

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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