

Bharat Financial Inclusion Limited

November 27, 2019

Ratings

Instruments	Amount (Rs. crore)	Ratings ¹	Rating Action
Long term / Short term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Long term/short term bank facilities of Bharat Financial Inclusion Limited with immediate effect, post its merger with Indusind Bank and the company has repaid all the bank facilities and there is no outstanding as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Bharat Financial Inclusion Ltd. (BFIL; formerly known as SKS Microfinance Ltd.) was incorporated on September 22, 2003 under the companies act, 1956. The company obtained certificate of registration from RBI on January 20, 2005 as NBFC ND. In September 2005, Company acquired business operations, assets and loan portfolio from SKS society (NGO) that was engaged in microfinance activities since 1997. The company obtained fresh certificate of registration from RBI in June, 2009 for carrying on business as NBFC ND. The company got listed on BSE and NSE in August 2010. Further it got registered as NBFC – MFI in November 2013.

Brief Financials (Rs. crore)#	FY18 (A)	FY19 (A)
Total Income	2157	3037
PAT	589	985
Total Net Assets	11912	10229
Return on Avg. Assets (Incl. Assigned & Managed Loans)	4.6%	5.7%

A: Audited #As per IndAS

* Note: Ratios have been computed based on average of annual opening and closing balances

For tangible net worth and total net assets calculation; deferred tax assets and intangible assets have been deducted

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT/ ST-Term loan	-	-	-	-	Withdrawn

¹Complete definition of the rating assigned are available at www.careratings.com and other CARE publications.

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT/ ST-Term loan	LT/ST	-	Withdrawn	-	1)CARE A+ / CARE A1+ (Under Credit watch with Positive Implications) (13-Apr-18) 2)CARE AA- / CARE A1+ (Under Credit watch with Positive Implications) (08-Jan-19)	1)CARE A+ / CARE A1+ (Under Credit watch with Positive Implications) (25-Oct-17) 2)CARE A+ / CARE A1+ (Under Credit watch with Developing Implications) (18-Sep-17) 3)CARE A+; Stable / CARE A1+ (05-Sep-17) 4)CARE A+; Stable / CARE A1+ (13-Jul-17) 5)CARE A+; Stable / CARE A1+ (17-Apr-17)	1)CARE A+ / CARE A1+ (26-Sep-16) 2)CARE A+ / CARE A1+ (28-Jul-16) 3)CARE A+ / CARE A1+ (23-Jun-16)
2.	Commercial Paper	ST	-	-	-	-	1)CARE A1+ (Under Credit watch with Positive Implications) (25-Oct-17) 2)CARE A1+ (Under Credit watch with Developing Implications) (18-Sep-17) 3)CARE A1+ (13-Jul-17) 4)CARE A1+ (17-Apr-17)	1)CARE A1+ (23-Jun-16)
3.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)CARE A+ (Under Credit watch with Positive Implications) (25-Oct-17) 2)CARE A+	1)CARE A+ (23-Jun-16)

							(Under Credit watch with Developing Implications) (18-Sep-17) 3) CARE A+; Stable (13-Jul-17) 4) CARE A+; Stable (17-Apr-17)
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Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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