

Sec/BSE/12/2023-24

07th May 2023

The Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai- 400001

Dear Sir/Madam,

Sub: intimation regarding withdrawal of credit rating service by brickwork

We wish to inform you that based on our request regarding the withdrawal of service, brickwork has withdrawn their services in line with the SEBI circular which was extended earlier only for term loan.

Enclosing herewith their letter for your kind information and record.

Kindly take the same on your record.

Thanking you.

Yours faithfully,
For Manappuram Home Finance Limited

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BHAT Date: 2023.05.07
14:21:58 +05'30'

Sreedivya S
Company Secretary



RATING RATIONALE

4 May 2023

Manappuram Home Finance Limited

Brickwork Ratings withdraws the rating of the Bank loan facilities of Manappuram Home Finance Limited

Particulars

Instruments**	Amount Rs Crs		Tenor	Rating*	
	Previous	Present		Previous (28 Feb 2023)	Present
Fund Based- Cash Credit/Overdraft	5.00	5.00	Long Term	BWR A+/Stable ISSUER NOT COOPERATING*/ (Downgraded)	BWR A+/Stable continues to be in ISSUER NOT COOPERATING*/ Withdrawal (Reaffirmation and simultaneous withdrawal of the rating)
Fund Based- Term Loan Outstanding Proposed	6.25	0.00	Long Term		Withdrawal on repayment
	8.75	0.00			Withdrawal on non-utilization
Total	20.00	5.00	Rupees Five Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings

** Details of BLR are provided in Annexure-I

#Issuer did not cooperate; based on best available information

RATING ACTION/OUTLOOK

Brickwork Ratings (BWR) has reaffirmed and withdrawn the rating of the bank loan facilities amounting to Rs. 5 Crs of Manappuram Home Finance limited, as tabulated above, at the request of the company and on production of the No Objection Certificate (NOC) provided by the sole banker for the withdrawal of the rating.

BWR has also withdrawn the rating for the proposed bank loan facilities amounting to Rs. 8.75 Crs of Manappuram Home Finance limited, at the request of the company confirming that, BWR rating has not been utilized to raise any loans against the BWR rated proposed fund based loan limits of Rs. 8.75 Crs and no amount is outstanding against the rated proposed facilities. The outstanding term loan of Rs.6.25 Cr has been repaid on the due date and a No Due Certificate has been received from the bank for the same.

The Rating Withdrawal is in line with BWR's policy for Withdrawal of Ratings.



BWR continues the rating under the Issuer Non Cooperation category for the outstanding bank loan facilities of Rs. 5.00 Crs , since the company has shared partial and limited information for the withdrawal of rating. However detailed information requisite for a proper review, pertaining to DPD cuts, segmental breakup of AUM and NPA, ALM position and repayment obligations falling due over the near to medium term, etc., were not shared.

Limitations of the rating: Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

The rating reaffirmation however factors in the experienced board and management of the company, and adequate capitalisation. The rating is, however, constrained by moderate scale of the AUM, geographic concentration and inherent risks associated with housing finance.

COMPANY PROFILE

Manappuram Home Finance Limited (MHFL), is a wholly owned subsidiary of Manappuram Finance Limited (MFL). MHFL is based out of Valapad, in the Thrissur District of Kerala. It was formed after acquisition of another housing finance company by name “Milestone Home Finance Company Pvt Ltd” in 2014. MHFL started its operations in January 2015 and FY16 was its first full financial year of operations. It is into the affordable housing segment in Tier II and Tier III Cities lending to mainly self employed people with average ticket size of Rs 10 lakhs.

KEY FINANCIAL INDICATORS (in ₹ Cr)

Key Parameters		FY 2021	FY 2022	9M FY22	9M FY23
Result Type	Units	Audited	Audited	Unaudited	Unaudited
AUM	Rs Crs	666.27	845.3	816	1004.8
Gross NPA %	%	6.38	5.90	6.82	5.81
PAT	Rs Crs	10.29	7.21	6.75	12.09
Tangible Net Worth	Rs Crs	209.69	216.97	216.39	228.94
Total Borrowings	Rs Crs	438.44	622.01	584	809
Total CRAR (%)	%	52.86	38.66	NA	33.84
Gearing	Times	2.09	2.87	2.7	3.53



NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA
RATING HISTORY

S. No	Instrument	Current Rating 2023 28/4/2023			Rating History		
		Type	Amount (₹ Crs)	Rating	2023 24/3/2023	2022	2021 24/12/2021
1	Fund Based-Cash Credit/Overdraft	5.0	5.0	BWR A+/Stable continues to be in ISSUER NOT COOPERATING*/Withdrawal (Reaffirmation and simultaneous withdrawal of the rating)	BWR A+/Stable ISSUER NOT COOPERATING*/(Downgradend migration of the rating to Issuer non cooperation category)	-	BWR AA-/Stable Reaffirmed
2	Fund Based-Term Loan	0.0	0.0				
	Total	5.0	5.0	₹ Twenty Crores Only			

Note: An advisory for delay in rating review was published on 06 Jan 2023

*Issuer did not cooperate ; based on best available information

COMPLEXITY LEVELS OF THE INSTRUMENTS BLR SIMPLE

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **Banks and Financial Institutions**
- **Policy on Issuer Non Co-operation**
- **BWR's policy for withdrawal of rating**

Analytical Contacts	
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Manappuram Home Finance

ANNEXURE I

Details of Bank Loan Facilities rated by BWR:

Name of Bank	Types	Sanction Amount (Rs. Crs)	Previous Amount rated on 21st November, 2021	Present rated amount
South Indian Bank Ltd	Term Loan	10	6.25	0
	Cash Credit	5	5	5
Proposed Long Term Bank Loan Facility			8.75	0
TOTAL			20	5

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS: NA

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

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