

Samaj Laghubitta Bittiya Sanstha Limited

Rating

Facilities	Amount (Rs. in Million)	Rating	Rating Action
Issuer Rating	-	-	Rating Withdrawn

Detailed description of the key rating drivers

CARE Ratings Nepal Limited (CRNL) has withdrawn the rating of "CARE-NP B+(Is); ISSUER NOT COOPERATING" assigned as issuer rating to Samaj Laghubitta Bittiya Sanstha Limited (SLBS) with immediate effect as SLBS had failed to provide information for monitoring of the rating. In line with the extant of Securities Board of Nepal (SEBON) guidelines, CRNL has reviewed the rating on the basis of the best available information and kept the rating on Notice of Withdrawal for six months which however, in CRNL's opinion is not sufficient to arrive at a fair rating. Therefore, after the monitoring of the rating for more than six months there is no cooperation from the Issuer, accordingly CRNL has withdrawn the rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

About the Company

SLBS is a "D" class microfinance institution incorporated on May 3, 2017, licensed by Nepal Rastra Bank on April 15, 2018 for operating in 3 districts of Nepal. It is promoted by individuals from different backgrounds and is primarily engaged in providing microfinance loan based on the Joint Liability Group (JLG) model with each group consisting of five members.

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About CARE Ratings:

CARE Ratings Nepal Limited (CRNL) is licensed by the Securities Board of Nepal w.e.f. November 16, 2017. CRNL is supported by CARE Ratings Limited through a technical services agreement to provide technical support in the areas such as rating systems and procedures, methodologies, etc. from CARE Ratings on an ongoing basis. The technical support shall ensure that CRNL has adequate resources to provide high quality credit opinions in Nepal.

Our parent company, CARE Ratings Limited 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).

Disclaimer

CRNL's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CRNL has based its ratings on information obtained from sources believed by it to be accurate and reliable. CRNL does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CRNL have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.