

## Manushi Laghubitta Bittiya Sanstha Limited

### Ratings

Facilities/ Instrument	Amount (Rs. in Million)	Ratings <sup>1</sup>	Rating Action
Issuer Rating	NA	<b>CARE-NP B (Is): ISSUER NOT COOPERATING* [Single B (Issuer Rating); ISSUER NOT COOPERATING*]</b>	Revised from CARE-NP B+(Is); Moved to Issuer Not Cooperating category and put on notice of withdrawal

CARE Ratings Nepal Limited (CRNL) has been seeking information from Manushi Laghubitta Bittiya Sanstha Limited (MLBSL) to monitor the ratings vide e-mail communications/ letters dated December 29, 2022, January 27, 2023, February 26, 2023, March 22, 2023, April 18, 2023, May 26, 2023 and June 02, 2023 along with numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant Securities Board of Nepal (SEBON) guidelines, CRNL has reviewed the rating on the basis of the best available information which however, in CRNL's opinion is not sufficient to arrive at a fair rating. CRNL will monitor/watch the rating once for a minimum period of 6 months and notify the Securities Board of Nepal (SEBON) and public with regards to the withdrawal of rating. If after the monitoring of the rating there is no cooperation from the Client, then after, CRNL may withdraw the rating.

The bank loan rating of MLBSL will now be denoted as **CARE-NP B (Is): ISSUER NOT COOPERATING\*, (Notice of withdrawal)**.

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

### Detailed description of the key rating drivers

The issuer rating has been revised taking into account non-cooperation by MLBSL with CRNL'S efforts to undertake a review of the rating outstanding. CRNL views information availability risk as a key factor in its assessment of credit risk.

**Please refer for detailed rationale published in June 2022 on [www.careratingsnepal.com](http://www.careratingsnepal.com)**

### About the Company

Manushi Laghubitta Bittiya Sanstha Limited (MLBSL) is a "D" class National level microfinance institution incorporated on June 24, 2018, licensed by Nepal Rastra Bank on October 11, 2018 and commenced operation on October 29, 2018. Thereafter, MLBSL took over the microfinance business conducted by the Manushi, an NGO established in 1991 and operating as a financial intermediary since April, 2002 in Nepal. MLBSL is primarily engaged in providing microfinance loans based on the Joint Liability Group (JLG) model with each group consisting of minimum five members.

### Contact us

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<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratingsnepal.com](http://www.careratingsnepal.com) and in other CRNL publications.

\*Issuer did not cooperate; based on best available information

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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.