



PRESS RELEASE

14 October 2021

Centrum Capital Limited

**A credit update on
receipt of Small Finance Bank (SFB) License to the step down subsidiary of Centrum
Capital Limited**

BWR has rated Principal Protected Market Linked Debentures (PPMLDs) of Centrum Capital Limited (CCL or the Company) aggregating Rs.200 Crores (Rupees Two Hundred Crores only). Brickwork Ratings (BWR) has noted the press release issued by the Company on 12th October 2021 conveying that the Reserve Bank of India has its vide letter dated October 12, 2021, issued a Licence under Section 22(1) of the Banking Regulation Act, 1949 to Unity Small Finance Bank Limited, a step down subsidiary of the Company, to carry on small finance bank business. The press release issued by the company further states the Reserve Bank of India (RBI) had issued a Small Finance Bank (SFB) license to the consortium of Centrum Financial Services Limited (Centrum), and Resilient Innovations Private Limited (BharatPe). BWR shall monitor the developments on the aforesaid and continue the rating under credit watch. BWR will take appropriate rating action based on availability of further detailed information from the company along with the up to date performance details.

BWR had placed the ratings of PPMLDs of Centrum Capital Limited on Credit Watch with Developing Implications as per press release dated 1st July 2021 upon the receipt of ‘in-principle’ approval from the Reserve Bank of India (RBI) by Centrum Financial Services Ltd. (CFSL), a step down subsidiary of CCL, to set up a Small Finance Bank (SFB) under general “Guidelines for ‘on tap’ Licensing of Small Finance Banks in the Private Sector” dated December 5, 2019. As per the press release of RBI dated June 18, 2021, the “in-principle” approval was accorded in specific pursuance to CFSL’s offer dated February 1, 2021 in response to the Expression of Interest notification dated November 3, 2020 published by the Punjab & Maharashtra Co-operative Bank Ltd., Mumbai.

For other details, please refer to the [Previous Rating Rationale](#) dated 01 July 2021.

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