

March 18, 2022

Northern Arc Capital Limited: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debentures	680.00	680.00	[ICRA]A+(Stable); reaffirmed
Non-convertible Debentures	200.00	0.00	[ICRA]A+(Stable); reaffirmed & withdrawn
Market Linked Debentures	7.50	7.50	PP-MLD[ICRA]A+(Stable); reaffirmed
Long Term – Fund-based limits	457.50	549.00	[ICRA]A+(Stable); assigned/reaffirmed
Long Term – Term Loans	1794.63	2,396.94	[ICRA]A+(Stable); assigned/reaffirmed
Long Term – Unallocated	247.87	454.06	[ICRA]A+(Stable); assigned/reaffirmed
Subordinated Debt	40.00	40.00	[ICRA]A+(Stable); reaffirmed
Commercial Paper	300.00	300.00	[ICRA]A1+; reaffirmed
Total	3,727.50	4,427.50	

*Instrument details are provided in Annexure-1

Rationale

The reaffirmation of the ratings factors in Northern Arc Capital Limited's (NACL) experience in the key target asset segments. NACL's exposure is largely wholesale in nature, primarily focused on small and mid-sized non-banking financial companies (NBFCs). It has an established underwriting and risk management system, stemming from its track record and experience in these established asset segments. The ratings continue to take comfort from NACL's adequate capitalisation profile (net worth/assets under management (AUM) stood at 26.3% as of December 2021) and the improvement in the earnings in the recent past.

ICRA takes note of the concentration of NACL's exposure, with the top 20 exposures accounting for 32% of the AUM as of December 2021 (121% of the net worth). NACL is also steadily increasing its exposure to the non-financial corporate segment (7% as of December 2021). The company also plans to expand/diversify in the retail (through co-lending arrangement) segment, the share of which stood at 12% as of December 2021 (10% as of March 2020). NACL recently announced the acquisition of the microfinance business of S.M.I.L.E. Microfinance Limited (SML), whereby it is expected to use SML's franchise to establish its presence in this segment. Going forward, a steady improvement in the exposure concentration profile and the ability to maintain a healthy overall asset quality would be key monitorables from a credit perspective. Given NACL's relatively lower track record in these segments, the performance of these segments remains a monitorable going forward.

The company has initiated the initial public offering (IPO) process and expects a capital infusion of Rs. 300 crore from the same. Given its portfolio growth plans (AUM growth of 20-25% for FY2023-FY2025), it would be critical for NACL to secure the same in a timely manner for maintaining an adequate capital profile.

ICRA has also reaffirmed and withdrawn the long-term rating on the Rs. 200.00-crore non-convertible debenture (NCD) programme as the instrument has matured and has been fully repaid. The rating was withdrawn in accordance with ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Reasonable track record in key target asset segments – NACL has a track record of more than 12 years in the placement (arranging funding for its clients via loan syndication, securitisation and assignment among others) and lending business. It

provides diverse financing solutions to entities operating in the microfinance, affordable housing finance, commercial vehicle finance, agri finance and small business loan segments, and to corporates including small and medium enterprises (SMEs). NACL has built relationships with more than 400 investor partners including NBFCs, banks, mutual funds, insurance companies, development finance institutions, private wealth institutions and alternative investment funds (AIFs) among others, which participate in the loan syndication and securitisation transactions facilitated by the company; it has also built partnerships with 228 originator partners. Well-established relationships with originators and investors have enabled the company to achieve cumulative business volumes of about Rs. 1,00,000 crore since inception.

The AUM witnessed significant growth of 24% and 21% in 9M FY2022 and FY2021, respectively, following a cumulative average growth rate of around 16% during the previous three years. As of December 2021, NACL's AUM stood at Rs. 6,496.4 crore, comprising advances to NBFCs and corporates (56.0%), investment in debt instruments (directly and via AIFs; 24.6%), advances to retail via co-lending partners (12.0%), guarantees (3.8%) and subordinated tranches of retail loan pools (the balance). NACL, via its subsidiary (Northern Arc Investment Managers Private Limited; NAIML), manages seven AIFs with a total fund AUM of about Rs. 3,023 crore as of December 2021. NACL's exposure to these funds was Rs. 278.3 crore (8.7% of the fund AUM).

The company is currently governed by a nine-member board with Mr. P S Jayakumar (ex-Managing Director (MD), Bank of Baroda) as the Chairperson. Mr. Jayakumar carries more than three decades of experience in the banking and financial services industry. From end of March 2022, the company is expected to transition to an 11-member board. Dr. Kshama Fernandes, the current MD & Chief Executive Officer (CEO), would be redesignated as the non-executive Vice-Chairperson while Mr. Ashish Mehrotra (currently deputy CEO) will take over as the MD & CEO of the company. Overall, the board will be constituted by four independent directors, four nominee directors from private equity investors, two executive directors and one non-executive director. The company benefits from the experience of its senior management who have the requisite expertise in underwriting in the microfinance, small business loans, commercial vehicle and affordable housing finance segments among others.

Capitalisation profile supported by equity infusions in the past; IPO expected going forward – With sizable capital infusion of about Rs. 650 crore during FY2019-FY2020, NACL continued to maintain an adequate capitalisation profile with its net worth/AUM standing at 26.3% as of December 2021 (30.2% as of March 2021). The company has initiated the IPO process and expects a capital infusion of Rs. 300 crore from the same. Given the healthy uptick in portfolio growth, it would be critical for the company to shore up its capital further and achieve healthy internal accruals over the medium term.

Profitability improved in 9M FY2022 – NACL's consolidated revenue stream comprises income from the lending portfolio, fee income from placement services, and investment & management income from the AIFs. Over the last three years, NACL's growth accrued predominantly from balance sheet expansion while fee income remained stable. Further, with operating costs remaining largely stagnant, NACL's operating profitability remained range-bound over the last three years. In FY2021, the company faced higher credit costs because of its exposure to two large NBFC credits, which became credit impaired. Moreover, NACL had created an additional provision coverage in light of the impact of the Covid-19 pandemic, resulting in total credit costs of 2.5% of its average managed assets (AMA) in FY2021 (0.8% in FY2020 and 0.0% in FY2019). With improved asset quality and correspondingly low credit costs in 9M FY2022, the net profitability (PAT/AMA) improved to 2.6% from 1.4% in FY2021 (2.2% in FY2020).

Credit challenges

Concentrated exposure to entities with average risk profiles; performance of non-financial sector exposures a monitorable – NACL remains exposed to moderate borrower profiles as it predominantly lends to small and mid-sized NBFCs and NBFC-microfinance institutions (NBFC-MFIs). Its direct exposures are quite concentrated with the top 20 entities accounting for about 32% of the AUM in December 2021 (32% in March 2021), considering the wholesale nature of its exposure to NBFCs and other corporates. The company faced asset quality pressures in FY2021 with two large credits (about 3% of the AUM as of March 2020) getting impaired during the year. It had largely written off or provided for these in FY2021. With modest slippages in 9M FY2022, NACL's delinquency position has remained comfortable with 90+ days past due (dpd) of 0.8% as of December 2021 (0.7% as of March 2021, 1.0% in March 2020 and 1.2% in March 2019).

Going forward, the company is increasing its exposure to the non-financial sector (mid-market segment; 7% of AUM as of December 2021) and the retail segment as a part of its growth and diversification strategy. NACL also recently announced the acquisition of the microfinance business of SML as a part of its focus on the retail segment. It is noted that NACL has a relatively modest track record and portfolio seasoning in these segments, and the delinquency levels remain a monitorable given the average risk profile of these borrower segments. ICRA, however, notes that the share of pass-through certificates (PTCs; largely subordinated investments) has steadily reduced over the past few years and stood at 1.7% of the AUM in December 2021 vis-à-vis 2.8% in March 2021 and 5.2% in March 2020.

Liquidity position: Adequate

NACL had cash and liquid investments of Rs. 712 crore and undrawn bank lines of Rs. 248 crore as on March 03, 2022, with a payment obligation of Rs. 1,262 crore (including interest payments and excluding rollover of short-term debt) during March 2022 – August 2022. The company's collections were healthy in 9M FY2022 with most of the wholesale borrowers carrying sizable liquidity on their balance sheet to meet contingencies.

NACL has continued to maintain a positive asset-liability mismatch over the last 2 years. It has secured a sizable portion of its borrowings from longer-tenor loans (2-5 years) and only a small portion of the total borrowings (around 12%) is from short-term sources including commercial paper, cash credit and working capital demand loans. On the other hand, the residual tenor of the loan/investment portfolio remains comfortable at less than 2 years on average.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings or revise the outlook to Positive if the company significantly improves its scale and earnings profile, while maintaining tight control over its delinquencies. A sustained reduction in its exposure concentration could also positively impact the ratings.

Negative factors – Pressure on NACL's ratings could arise if there is a sustained deterioration in the asset quality (90+ dpd/AUM beyond 3.0%), thereby impacting its earnings performance. Weakening capitalisation (net worth/AUM below 20%) on a sustained basis could negatively impact the ratings.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	Consolidated

About the company

Chennai-based NACL is a systemically important NBFC. It acts as a platform in the financial services sector with the objective of catering to the diverse credit requirements of under-served households and businesses by providing access to debt finance. This is done either through direct lending and investments or by providing syndication and structuring services. The company commenced its business by targeting MFIs and has diversified into other sectors including micro, small, and medium enterprise (MSME) finance, vehicle finance (includes commercial vehicle and two-wheeler finance), consumer finance, affordable housing finance and agricultural supply chain finance. Further, over the years, NACL has steadily diversified across products, geographies, and borrower segments as well. Nimbus, NACL's proprietary technology system, forms the backbone of its growth as a platform and enables the scaling up of business operations with execution and functional efficiencies and data analytics.

As of December 2021, IIFL Special Opportunities Fund was the largest shareholder with a stake of 26.1% on a diluted basis. Other large shareholders included Leapfrog Financial Inclusion India II Limited (23.0%), Augusta Investments II Pte Ltd (18.1%), Eight Roads Investments (Mauritius) (II) Limited (10.5%), Dvara Trust (9.9%), Accion Africa Asia Investment Company (5.9%), and SMBC (5.4%).

Northern Arc Investment Managers Private Limited

Incorporated in February 2014, Northern Arc Investment Managers Private Limited (NAIMPL) is a wholly-owned subsidiary of NACL and provides investment management services to several AIFs. The company manages seven AIFs at present while it has already provided full exit from two other AIFs.

Northern Arc Investment Adviser Services Private Limited

Incorporated in September 2012, Northern Arc Investment Adviser Services Private Limited (NAIAPL) is a wholly-owned subsidiary, which provides investment advisory services.

Northern Arc Foundation

It was constituted as a Section 8 company (not for profit) in FY2019. NACL holds a 100% stake in the company. Northern Arc Foundation is primarily engaged in the business of, inter alia, providing vocational training and skill training for the development of members of marginalised communities, conducting workshops, seminars and symposiums, carrying out educational programmes for social upliftment, and undertaking research to identify areas for improving the standard of living.

Pragati Finserv Private Limited

Pragati, a recently incorporated wholly-owned subsidiary of NACL, proposes to commence microfinance lending as a part of its rural finance business. Pragati is proposing to apply to the Reserve Bank of India (RBI) for registration as an NBFC-MFI.

Key financial indicators (audited; Ind As)

	FY2020	FY2021	9M FY2022
Total income (Rs. Crore)	634	684	650
Profit after tax (Rs. Crore)	103	77	131
Net worth (Rs. Crore)	1,598	1,673	1,707
Loan book (Rs. Crore)	4,096	5,123	6,304
Total managed assets (Rs. Crore)	4,855	5,969	7,294
Return on managed assets (%)	2.2%	1.4%	2.6%
Return on net worth (%)	7.1%	4.7%	10.7%
Managed gearing (times)	2.0	2.7	3.2
Gross stage 3 (%)	0.5%	2.2%	1.1%
Net stage 3 (%)	0.1%	0.9%	0.4%
Solvency (Net stage 3/Net worth)	0.4%	3.0%	1.4%
CRAR (%)	33.2%	27.9%	24.9%

Source: Company, ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)					Chronology of Rating History for the Past 3 Years				
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in FY2022		Date & Rating in FY2021		Date & Rating in FY2020		Date & Rating in FY2019
					Mar 18, 2022	Mar 02, 2022 Sep 15, 2021	Sep 25, 2020 Aug 14, 2020	Jul 30, 2020 Jul 20, 2020 Jun 16, 2020	Jan 10, 2020 Oct 10, 2019	Aug 30, 2019 Aug 5, 2019 Jul 1, 2019 Jun 13, 2019	Dec 6, 2018 Sep 27, 2018 Sep 14, 2018 Aug 28, 2018 Jul 18, 2018
1	NCD	Long term	680.00	680.00	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
2	NCD	Long term	200.00	-	[ICRA]A+ (Stable); withdrawn	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
3	MLD	Long term	7.50	7.50	PP-MLD[ICRA]A+ (Stable)	PP-MLD[ICRA]A+ (Stable)	PP-MLD[ICRA]A+ (Negative)	PP-MLD[ICRA]A+ (Negative)	PP-MLD[ICRA]A+ (Stable)	-	-
4	Long Term – Fund-based Limits	Long term	549.00	549.00	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
5	Long Term – Term Loan	Long term	2,396.94	2,396.94	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
6	Long Term – Unallocated	Long term	454.06	454.06	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
7	Subordinated Debt	Long term	40.00	40.00	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Negative)	[ICRA]A+ (Negative)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)
8	Commercial Paper	Short term	300.00	300.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD	Moderately Complex
MLD	Complex
Long Term – Bank Facilities	Simple
Subordinated Debt	Complex
Commercial Paper	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Instrument	Date of Issuance/ Sanction	Coupon Rate	Maturity Date	Amount Rated	Current Rating and Outlook
					(Rs. Crore)	
INE850M14AT8	Commercial Paper	Nov 03,2022	6.98%	Oct 06,2022	25	[ICRA]A1+
INE850M14AS0	Commercial Paper	Nov 03,2022	6.80%	Sep 06,2022	10	[ICRA]A1+
INE850M14AR2	Commercial Paper	Aug 03,2022	6.98%	Jul 06,2022	8	[ICRA]A1+
INE850M14AQ4	Commercial Paper	Feb 22,2022	7.60%	Aug 22,2022	25	[ICRA]A1+
INE850M14AP6	Commercial Paper	Jan 21,2022	6.97%	Aug 04,2022	30	[ICRA]A1+
INE850M14AN1	Commercial Paper	Dec 20,2021	7.00%	Mar 21,2022	50	[ICRA]A1+
INE850M14AM3	Commercial Paper	Feb 12,2021	7.10%	Mar 30,2022	20	[ICRA]A1+
INE850M14AL5	Commercial Paper	Sep 30,2021	7.95%	Sep 30,2022	50	[ICRA]A1+
Unallocated	Commercial Paper	NA	NA	NA	82	[ICRA]A1+
INE850M07251	Non-convertible Debentures	26-Jun-20	11.25%	26-Jun-23	25.00	[ICRA]A+(Stable)
INE850M07269	Non-convertible Debentures	13-Jul-20	10.40%	13-Jul-23	33.33	[ICRA]A+(Stable)
INE850M07335	Non-convertible Debentures	13-Nov-20	9.15%	13-May-22	150.00	[ICRA]A+(Stable)
INE850M07160	Non-convertible Debentures	11-Dec-18	9.45%	11-Jun-22	100.00	[ICRA]A+(Stable)
INE850M07178	Non-convertible Debentures	20-Dec-18	9.60%	20-Dec-23	71.43	[ICRA]A+(Stable)
INE850M07301	Non-convertible Debentures	14-Sep-20	9.50%	14-Mar-22	150.00	[ICRA]A+(Stable); reaffirmed & withdrawn
INE850M08085	Non-convertible Debentures	25-Sep-19	11.60%	25-Sep-23	0.24	[ICRA]A+(Stable)
INE850M07293	Non-convertible Debentures	8-Sep-20	9.50%	8-Mar-22	50.00	[ICRA]A+(Stable); reaffirmed & withdrawn
INE850M07251	Non-convertible Debentures	26-Jun-20	11.25%	26-Jun-23	25.00	[ICRA]A+(Stable)
Unallocated	Non-convertible Debentures	NA	NA	NA	275.00	[ICRA]A+(Stable)
INE850M07285	Market Linked Debentures	30-Jul-20	Linked to BSE Sensex	30-Apr-22	7.50	PP- MLD[ICRA]A+(Stable)
NA	Term Loan 1	Jun 29,2019	NA	Jul 01,2022	8.33	[ICRA]A+(Stable)
NA	Term Loan 2	Sep 30,2021	NA	Oct 01,2024	18.33	[ICRA]A+(Stable)
NA	Term Loan 3	Mar 30,2021	NA	Sep 30,2022	50.00	[ICRA]A+(Stable)
NA	Term Loan 4	Sep 21,2020	NA	Sep 21,2023	21.11	[ICRA]A+(Stable)
NA	Term Loan 5	Jul 30,2021	NA	Jul 30,2024	40.28	[ICRA]A+(Stable)
NA	Term Loan 6	Sep 30,2021	NA	Oct 01,2025	100.00	[ICRA]A+(Stable)
NA	Term Loan 7	Dec 30,2021	NA	Dec 30,2024	94.44	[ICRA]A+(Stable)
NA	Term Loan 8	Dec 26,2019	NA	Mar 31,2023	31.25	[ICRA]A+(Stable)
NA	Term Loan 9	Dec 31,2021	NA	Dec 31,2025	50.00	[ICRA]A+(Stable)
NA	Term Loan 10	Jan 29,2022	NA	Jan 29,2026	40.00	[ICRA]A+(Stable)
NA	Term Loan 11	Feb 21,2022	NA	Jan 29,2026	20.00	[ICRA]A+(Stable)
NA	Term Loan 12	Nov 30,2021	NA	Nov 30,2024	50.00	[ICRA]A+(Stable)
NA	Term Loan 13	Mar 31,2021	NA	Mar 31,2022	10.00	[ICRA]A+(Stable)
NA	Term Loan 14	Dec 23,2021	NA	Dec 23,2024	35.00	[ICRA]A+(Stable)
NA	Term Loan 15	Mar 03,2021	NA	Feb 28,2023	36.11	[ICRA]A+(Stable)

NA	Term Loan 16	Aug 13,2021	NA	Aug 13,2024	50.00	[ICRA]A+(Stable)
NA	Term Loan 17	Mar 30,2021	NA	Mar 30,2024	28.93	[ICRA]A+(Stable)
NA	Term Loan 18	May 16,2019	NA	May 16,2022	25.00	[ICRA]A+(Stable)
NA	Term Loan 19	Sep 28,2021	NA	Sep 28,2024	41.67	[ICRA]A+(Stable)
NA	Term Loan 20	Sep 01,2021	NA	Aug 31,2024	45.83	[ICRA]A+(Stable)
NA	Term Loan 21	Aug 31,2021	NA	Aug 31,2024	83.33	[ICRA]A+(Stable)
NA	Term Loan 22	Sep 26,2019	NA	Mar 27,2022	4.55	[ICRA]A+(Stable)
NA	Term Loan 23	Mar 30,2020	NA	Mar 31,2024	17.71	[ICRA]A+(Stable)
NA	Term Loan 24	Mar 30,2020	NA	Mar 31,2024	17.61	[ICRA]A+(Stable)
NA	Term Loan 25	Dec 15,2021	NA	Dec 15,2025	50.00	[ICRA]A+(Stable)
NA	Term Loan 26	Dec 15,2021	NA	Dec 15,2025	50.00	[ICRA]A+(Stable)
NA	Term Loan 27	Dec 31,2019	NA	Dec 31,2022	8.33	[ICRA]A+(Stable)
NA	Term Loan 28	Sep 30,2021	NA	Sep 30,2024	60.28	[ICRA]A+(Stable)
NA	Term Loan 29	Mar 02,2020	NA	Feb 02,2023	9.93	[ICRA]A+(Stable)
NA	Term Loan 30	Mar 12,2021	NA	Dec 09,2023	24.00	[ICRA]A+(Stable)
NA	Term Loan 31	Dec 21,2019	NA	Dec 21,2022	8.33	[ICRA]A+(Stable)
NA	Term Loan 32	Sep 28,2021	NA	Sep 30,2024	21.53	[ICRA]A+(Stable)
NA	Term Loan 33	Sep 20,2021	NA	Oct 01,2023	47.50	[ICRA]A+(Stable)
NA	Term Loan 34	Mar 06,2020	NA	Mar 06,2022	0.42	[ICRA]A+(Stable)
NA	Term Loan 35	Mar 31,2021	NA	Mar 31,2024	27.78	[ICRA]A+(Stable)
NA	Term Loan 36	Dec 29,2021	NA	Dec 29,2023	91.67	[ICRA]A+(Stable)
NA	Term Loan 37	Mar 18,2020	NA	Jun 01,2023	8.33	[ICRA]A+(Stable)
NA	Term Loan 38	Jun 24,2021	NA	Jun 01,2024	18.75	[ICRA]A+(Stable)
NA	Term Loan 39	Sep 24,2019	NA	Nov 30,2022	6.61	[ICRA]A+(Stable)
NA	Term Loan 40	Sep 29,2021	NA	Sep 29,2024	93.94	[ICRA]A+(Stable)
NA	Term Loan 41	Sep 24,2021	NA	Aug 10,2022	34.50	[ICRA]A+(Stable)
NA	Term Loan 42	Dec 06,2021	NA	Sep 10,2022	40.84	[ICRA]A+(Stable)
NA	Term Loan 43	Sep 28,2021	NA	Dec 28,2023	100.00	[ICRA]A+(Stable)
NA	Term Loan 44	Jun 29,2021	NA	Jun 28,2024	8.18	[ICRA]A+(Stable)
NA	Term Loan 45	Dec 31,2021	NA	Dec 31,2024	30.00	[ICRA]A+(Stable)
NA	Term Loan 46	Nov 06,2019	NA	Dec 31,2022	36.37	[ICRA]A+(Stable)
NA	Term Loan 47	Feb 28,2020	NA	Dec 31,2022	36.37	[ICRA]A+(Stable)
NA	Term Loan 48	Feb 22,2021	NA	Dec 31,2023	145.46	[ICRA]A+(Stable)
NA	Term Loan 49	Jan 19,2022	NA	Jan 19,2025	150.00	[ICRA]A+(Stable)
NA	Term Loan 50	Feb 24,2022	NA	Jan 19,2025	52.00	[ICRA]A+(Stable)
NA	Term Loan 51	Feb 28,2022	NA	Jan 19,2025	48.00	[ICRA]A+(Stable)
NA	Term Loan 52	Nov 30,2019	NA	Jan 05,2023	2.00	[ICRA]A+(Stable)
NA	Term Loan 53	Dec 31,2021	NA	Dec 31,2022	22.00	[ICRA]A+(Stable)
NA	Term Loan 54	Mar 16,2020	NA	Apr 05,2023	20.82	[ICRA]A+(Stable)
NA	Term Loan 55	Jan 29,2021	NA	Apr 30,2024	26.24	[ICRA]A+(Stable)

NA	Term Loan 56	Feb 26,2021	NA	Feb 28,2023	7.50	[ICRA]A+(Stable)
NA	Term Loan 57	Jul 29,2021	NA	Jul 29,2023	10.63	[ICRA]A+(Stable)
NA	Term Loan 58	Dec 31,2019	NA	Dec 31,2022	10.00	[ICRA]A+(Stable)
NA	Term Loan 59	Jan 31,2020	NA	Apr 01,2022	0.83	[ICRA]A+(Stable)
NA	Term Loan 60	Jun 30,2021	NA	Jun 30,2024	18.33	[ICRA]A+(Stable)
NA	Term Loan 61	NA	NA	NA	150.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Jun 28,2021	NA	NA	10.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Sep 30,2021	NA	NA	1.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Dec 23,2021	NA	NA	1.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Aug 13,2021	NA	NA	15.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Mar 25,2021	NA	NA	20.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Sep 20,2020	NA	NA	10.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Dec 31,2021	NA	NA	4.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Dec 31,2021	NA	NA	1.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Dec 22,2021	NA	NA	5.00	[ICRA]A+(Stable)
NA	Cash Credit / OD	Jul 26,2021	NA	NA	1.00	[ICRA]A+(Stable)
NA	WCDL	Nov 30,2021	NA	NA	50	[ICRA]A+(Stable)
NA	WCDL	Jun 28,2021	NA	NA	15	[ICRA]A+(Stable)
NA	WCDL	Sep 30,2021	NA	NA	50	[ICRA]A+(Stable)
NA	WCDL	Dec 31,2021	NA	NA	25	[ICRA]A+(Stable)
NA	WCDL	Aug 13,2021	NA	NA	25	[ICRA]A+(Stable)
NA	WCDL	Aug 13,2021	NA	NA	25	[ICRA]A+(Stable)
NA	WCDL	Feb 22,2022	NA	NA	50	[ICRA]A+(Stable)
NA	WCDL	Aug 17,2021	NA	NA	30	[ICRA]A+(Stable)
NA	WCDL	Mar 25,2021	NA	NA	30	[ICRA]A+(Stable)
NA	WCDL	Dec 28,2021	NA	NA	25	[ICRA]A+(Stable)
NA	WCDL	Mar 01,2022	NA	NA	40	[ICRA]A+(Stable)
NA	WCDL	Dec 31,2021	NA	NA	10	[ICRA]A+(Stable)
NA	WCDL	Dec 31,2021	NA	NA	6	[ICRA]A+(Stable)
NA	WCDL	Dec 22,2021	NA	NA	50	[ICRA]A+(Stable)
NA	WCDL	Nov 22,2021	NA	NA	50	[ICRA]A+(Stable)
NA	Unallocated	NA	NA	NA	454.06	[ICRA]A+(Stable)
NA	Subordinated Debt	28-Dec-17	NA	27-Jun-23	25.00	[ICRA]A+(Stable)
NA	Subordinated Debt	29-Dec-17	NA	28-Jun-23	15.00	[ICRA]A+(Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis

Name of the Entity	Ownership	Consolidation Approach
Northern Arc Investment Managers Private Limited	100.00%	Full Consolidation
Northern Arc Investment Adviser Services Private Limited	100.00%	Full Consolidation
IFMR FImpact Long Term Credit Fund [#]		Full Consolidation
Northern Arc Money Market Alpha Trust Fund [#]		Full Consolidation (until Aug 8, 2019)
IFMR FImpact Medium Term Opportunities Fund [#]		Full Consolidation (until Dec 6, 2018)

[#]Based on an evaluation of existence of control on these AIFs in accordance with Ind AS 110 (Consolidated Financial Statements), these funds have been included as a part of the consolidated financial statements of NACL

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