

June 23, 2023

Northern Arc Capital Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures	280.00	280.00	[ICRA]AA-(Stable); outstanding
Market linked debentures	150.00	150.00	PP-MLD[ICRA]AA-(Stable); outstanding
Long term – Fund-based limits	72.00	47.00	[ICRA]AA-(Stable); outstanding
Long term – Term loans	4,503.00	4,443.00	[ICRA]AA-(Stable); outstanding
Short-term bank Facilities	425.00	510.00	[ICRA]A1+; outstanding
Subordinated debt	40.00	40.00	[ICRA]AA-(Stable); outstanding
Commercial paper	300.00	300.00	[ICRA]A1+; outstanding
Total	5,770.00	5,770.00	

*Instrument details are provided in Annexure I

Rationale

The ratings factors in the improvement in Northern Arc Capital Limited's (NACL) earnings profile while it scaled up its portfolio and diversified to retail asset segments. NACL's profitability indicators improved further in FY2023 with profit after tax (PAT)/average managed assets (AMA) at 2.7% vis-à-vis 2.6% in FY2022, supported by higher margins and lower credit costs. The assets under management (AUM) grew to Rs. 9,036 crore as of March 2023 from Rs. 7,111 crore in March 2022 (Rs. 5,225 crore in March 2021). The capital profile remained under control during this period as the consolidated managed gearing¹ stood at 3.8 times as of March 2023 (3.6 times as of March 2022).

However, NACL's exposures remain largely towards financial institutions (FI) with moderate risk profiles. Over the years, the company has been gradually reducing its exposure towards FIs by diversifying into the retail segment, mostly via partnership arrangements with smaller non-banking financial companies (NBFCs)/digital platforms, and by engaging in direct lending to the retail segments. NACL acquired the microfinance book of S.M.I.L.E. Microfinance Limited (SMILE) in April 2022 and scaled it up with a business correspondent (BC) arrangement through its subsidiary (Pragati Finserv Private Limited; Pragati). The company is also expected to focus on secured business loans, which it commenced in the recent past. NACL's overall non-FI exposure² continued to increase and stood at 34.8% of the AUM as of March 2023 compared to 23.4% as of March 2022 (18.6% as of March 2021). Within the non-FI segment, corporate finance accounted for 7.2% of the AUM as of March 2023.

ICRA takes note of the concentration of NACL's exposures, with the top 20 exposures accounting for 26% of AUM (118% of net worth) as of March 2023 compared to 30% as of March 2022. ICRA notes that the company has focused on gradually reducing its top 20 exposures over the last few years (60% of the AUM as of March 2015). Going forward, a steady improvement in the concentration profile and the ability to maintain healthy asset quality, especially in the newer retail asset segments, would be key monitorables.

NACL has an established underwriting and risk management system, stemming from its track record and experience in these established asset segments, which would support its growth. It is also expected to derive benefits from Nimbus, its proprietary

¹ (Total borrowings + Off-balance sheet exposures)/Net worth excluding minority interest

² Corporate finance, partnership arrangements and direct retail lending

technology system, which provides a common system for many originator partners³ and investor partners⁴ to access fundraising and investment opportunities and execute transactions online. Nimbus enables the end-to-end processing of debt transactions (from loan application, credit evaluation, generation of legal documentation to transaction execution and closure).

ICRA notes that NACL raised sizeable equity in the past (Rs. 960 crore from FY2014, including Rs. 648 crore in FY2019 and FY2020) from investors such as Leapfrog Financial Inclusion India, IIFL Special Opportunities Fund, Affirma Capital, SMBC Bank, Eight Roads, etc. NACL is expected to maintain its leverage under 4 times on a steady-state basis. Thus, managing growth and securing timely capital infusions, when required, would be crucial going forward.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Rating Approach - Consolidation
Parent/Group support	Not Applicable
Consolidation/Standalone	Consolidated

About the company

Northern Arc Capital 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 underserved 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 microfinance institutions (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. 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 2022, on a fully-diluted basis, IIFL Special Opportunities Fund was the largest shareholder with a stake of 25.6% in NACL, followed by Leapfrog Financial Inclusion India II Limited (22.6%), Augusta Investments II Pte Ltd (19.5%), Eight Roads Investments (Mauritius) (II) Limited (10.3%), Dvara Trust (8.0%), Accion (5.8%), SMBC (5.3%) and others (3.0%).

Northern Arc Investment Managers Private Limited

Incorporated in February 2014, Northern Arc Investment Managers Private Limited (NAIM) is a wholly-owned subsidiary of NACL, which provides investment management services to several alternative investment funds (AIFs). The company manages five AIFs, at present, while it has already provided full exit from four other AIFs. Additionally, it manages two portfolio management services (PMS) strategies.

Northern Arc Investment Adviser Services Private Limited

³ Financial institution corporates, technology platforms (such as fintechs) and other entities, which originate financial exposure

⁴ NACL's network of investors, across different investor classes, which uses its platform to access opportunities to invest in underserved sectors in India

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 is a recently incorporated subsidiary of NACL (90% holding). In April 2022, NACL had acquired the microfinance business of SMILE. Pragati is operating as a BC for the direct MFI lending of NACL.

Key financial indicators (audited; IndAS) – Consolidated

	FY2021	FY2022	FY2023
Total income	684	917	1,311
Profit after tax	77	182	244
Net worth*	1,673	1,832	2,068
AUM (lending)	5,225	7,111	9,036
Total managed assets	5,969	8,211	9,841
Return on managed assets	1.4%	2.6%	2.7%
Return on net worth	4.7%	10.4%	12.5%
Managed gearing (times)	2.7	3.6	3.8
Gross stage 3	2.2%	0.5%	0.8%
Net stage 3	0.9%	0.2%	0.4%
Solvency (Net stage 3/Net worth) #	3.0%	0.7%	1.8%
CRAR#	27.9%	22.8%	21.0%

Source: Company, ICRA Research; *Including minority interest (IFMR FImpact Long Term Credit Fund); #Standalone Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating (FY2024)		Chronology of Rating History for the Past 3 Years						
				Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022		Date & Rating in FY2021		
				Jun 23, 2023		Mar 30, 2023	Jul 21, 2022 Aug 29, 2022	Jun 17, 2022	Mar 18, 2022	Mar 02, 2022 Sep 15, 2021	Sep 25, 2020 Aug 14, 2020	Jul 30, 2020 Jul 20, 2020 Jun 16, 2020
1	NCD	280.00	280.00	[ICRA]AA-(Stable)		[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Negative)	[ICRA]A+(Negative)
2	MLD	150.00	150.00	PP-MLD [ICRA]AA-(Stable)		PP-MLD [ICRA]AA-(Stable)	PP-MLD [ICRA]A+(Positive)	PP-MLD [ICRA]A+(Stable)	PP-MLD [ICRA]A+(Stable)	PP-MLD [ICRA]A+(Stable)	PP-MLD [ICRA]A+(Negative)	PP-MLD [ICRA]A+(Negative)
3	Long term – Fund-based limits	47.00	47.00	[ICRA]AA-(Stable)		[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Negative)	[ICRA]A+(Negative)
4	Long term – Term loan	4,443.00	4,443.00	[ICRA]AA-(Stable)		[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Negative)	[ICRA]A+(Negative)
5	Long term – Unallocated	0.00	0.00	-		-	-	-	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Negative)	[ICRA]A+(Negative)
6	Short-term bank facilities	510.00	510.00	[ICRA]A1+		[ICRA]A1+	[ICRA]A1+	-	-	-	-	-
7	Subordinated debt	40.00	40.00	[ICRA]AA-(Stable)		[ICRA]AA-(Stable)	[ICRA]A+(Positive)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Negative)	[ICRA]A+(Negative)
8	Commercial paper	300.00	300.00	[ICRA]A1+		[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCD	Simple
MLD	Moderately Complex
Long term – Fund-based limits	Simple
Long term – Term loan	Simple
Short-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: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument	Date of Issuance/	Coupon Rate	Maturity Date	Amount Rated	Current Rating and
		Sanction			(Rs. crore)	Outlook
INE850M14BQ2	Commercial Paper	Jun 19, 2023	NA	Jun 17, 2024	100.00	[ICRA]A1+
INE850M14BP4	Commercial Paper	Jun 9, 2023	NA	Sep 7, 2023	40.00	[ICRA]A1+
INE850M14BP4	Commercial Paper	Jun 1, 2023	NA	Sep 7, 2023	10.00	[ICRA]A1+
INE850M14B07	Commercial Paper	May 23, 2023	NA	Aug 22, 2023	5.00	[ICRA]A1+
INE850M14BM1	Commercial Paper	May 9, 2023	NA	Aug 14, 2023	17.00	[ICRA]A1+
INE850M14BL3	Commercial Paper	Mar 29, 2023	NA	Jun 28, 2023	10.00	[ICRA]A1+
Not placed	Commercial Paper	NA	NA	NA	118.00	[ICRA]A1+
INE850M07251	Non-convertible debentures	Jun 26, 2020	11.25%	Jun 26, 2023	25.00	[ICRA]AA-(Stable)
INE850M07269	Non-convertible debentures	Jul 13, 2020	10.40%	Jul 13, 2023	33.33	[ICRA]AA-(Stable)
INE850M07178	Non-convertible debentures	Dec 20, 2018	9.60%	Dec 20, 2023	71.43	[ICRA]AA-(Stable)
INE850M08085	Non-convertible debentures	Sep 25, 2019	11.60%	Sep 25, 2023	0.24	[ICRA]AA-(Stable)
INE850M07251	Non-convertible debentures	Jun 26, 2020	11.25%	Jun 26, 2023	25.00	[ICRA]AA-(Stable)
Not placed	Non-convertible debentures	NA	NA	NA	125.00	[ICRA]AA-(Stable)
INE850M07426	Market linked debentures	Jul 27, 2022	Linked to IGB 5.85%	Jan 27, 2025	114.10	PP-MLD[ICRA]AA-(Stable)
Not placed	Market linked debentures	NA	NA	NA	35.90	PP-MLD[ICRA]AA-(Stable)
NA	Term loan 1	Sep-30-2021	NA	Oct-01-2024	10.00	[ICRA]AA-(Stable)
NA	Term loan 2	Jun-28-2022	NA	Jul-03-2023	16.67	[ICRA]AA-(Stable)
NA	Term loan 3	Mar-25-2022	NA	Mar-31-2024	68.75	[ICRA]AA-(Stable)
NA	Term loan 4	Mar-25-2022	NA	Mar-31-2024	22.92	[ICRA]AA-(Stable)
NA	Term loan 5	Dec-16-2022	NA	Dec-16-2027	43.88	[ICRA]AA-(Stable)
NA	Term loan 6	Dec-29-2022	NA	Dec-29-2027	97.50	[ICRA]AA-(Stable)
NA	Term loan 7	Jan-18-2023	NA	Dec-16-2027	175.50	[ICRA]AA-(Stable)
NA	Term loan 8	Sep-21-2020	NA	Sep-21-2023	5.56	[ICRA]AA-(Stable)
NA	Term loan 9	Jul-30-2021	NA	Jul-30-2024	20.83	[ICRA]AA-(Stable)
NA	Term loan 10	Sep-28-2022	NA	Dec-05-2023	56.25	[ICRA]AA-(Stable)
NA	Term loan 11	Sep-30-2021	NA	Oct-01-2025	71.43	[ICRA]AA-(Stable)
NA	Term loan 12	Mar-30-2022	NA	Mar-29-2025	33.33	[ICRA]AA-(Stable)
NA	Term loan 13	Mar-30-2022	NA	Mar-29-2026	37.50	[ICRA]AA-(Stable)
NA	Term loan 14	Sep-30-2022	NA	Sep-29-2025	62.50	[ICRA]AA-(Stable)
NA	Term loan 15	Dec-31-2022	NA	Dec-31-2025	45.83	[ICRA]AA-(Stable)
NA	Term loan 16	Jan-31-2023	NA	Jan-31-2026	22.92	[ICRA]AA-(Stable)
NA	Term loan 17	Dec-30-2021	NA	Dec-30-2024	55.51	[ICRA]AA-(Stable)
NA	Term loan 18	Nov-30-2022	NA	Nov-30-2025	86.05	[ICRA]AA-(Stable)
NA	Term loan 19	Dec-08-2022	NA	Dec-08-2025	86.05	[ICRA]AA-(Stable)
NA	Term loan 20	Dec-31-2021	NA	Dec-31-2025	37.43	[ICRA]AA-(Stable)
NA	Term loan 21	Jan-29-2022	NA	Jan-29-2026	26.67	[ICRA]AA-(Stable)
NA	Term loan 22	Feb-21-2022	NA	Jan-29-2026	13.33	[ICRA]AA-(Stable)
NA	Term loan 23	Mar-06-2023	NA	Mar-06-2027	25.00	[ICRA]AA-(Stable)

NA	Term loan 24	Nov-30-2021	NA	Nov-30-2024	28.79	[ICRA]AA-(Stable)
NA	Term loan 25	Dec-30-2022	NA	Nov-30-2024	47.92	[ICRA]AA-(Stable)
NA	Term loan 26	Sep-27-2022	NA	Feb-29-2024	10.00	[ICRA]AA-(Stable)
NA	Term loan 27	Dec-23-2021	NA	Dec-23-2024	24.50	[ICRA]AA-(Stable)
NA	Term loan 28	Aug-13-2021	NA	Aug-13-2024	26.67	[ICRA]AA-(Stable)
NA	Term loan 29	Mar-12-2022	NA	Mar-11-2025	57.50	[ICRA]AA-(Stable)
NA	Term loan 30	Jun-30-2022	NA	Jun-30-2025	91.00	[ICRA]AA-(Stable)
NA	Term loan 31	Jun-30-2022	NA	Jun-30-2025	34.67	[ICRA]AA-(Stable)
NA	Term loan 32	Feb-14-2023	NA	Feb-14-2025	75.00	[ICRA]AA-(Stable)
NA	Term loan 33	Feb-14-2023	NA	Mar-13-2026	50.00	[ICRA]AA-(Stable)
NA	Term loan 34	Mar-31-2023	NA	Mar-31-2025	47.92	[ICRA]AA-(Stable)
NA	Term loan 35	Mar-30-2021	NA	Mar-30-2024	13.41	[ICRA]AA-(Stable)
NA	Term loan 36	Mar-21-2023	NA	Mar-21-2026	116.67	[ICRA]AA-(Stable)
NA	Term loan 37	Aug-31-2021	NA	Aug-31-2024	50.00	[ICRA]AA-(Stable)
NA	Term loan 38	Sep-01-2021	NA	Aug-31-2024	25.00	[ICRA]AA-(Stable)
NA	Term loan 39	Sep-28-2021	NA	Sep-28-2024	25.00	[ICRA]AA-(Stable)
NA	Term loan 40	Mar-25-2022	NA	Mar-25-2025	127.78	[ICRA]AA-(Stable)
NA	Term loan 41	Dec-15-2021	NA	Dec-15-2025	36.67	[ICRA]AA-(Stable)
NA	Term loan 42	Dec-15-2021	NA	Dec-15-2025	36.67	[ICRA]AA-(Stable)
NA	Term loan 43	Mar-31-2022	NA	Mar-31-2026	40.00	[ICRA]AA-(Stable)
NA	Term loan 44	May-30-2022	NA	May-30-2026	120.00	[ICRA]AA-(Stable)
NA	Term loan 45	Mar-31-2023	NA	Mar-30-2027	150.00	[ICRA]AA-(Stable)
NA	Term loan 46	Mar-24-2022	NA	Mar-24-2026	20.24	[ICRA]AA-(Stable)
NA	Term loan 47	Sep-30-2021	NA	Sep-30-2024	33.06	[ICRA]AA-(Stable)
NA	Term loan 48	Sep-30-2022	NA	Oct-10-2025	40.50	[ICRA]AA-(Stable)
NA	Term loan 49	Oct-31-2022	NA	Oct-31-2025	41.89	[ICRA]AA-(Stable)
NA	Term loan 50	Mar-12-2021	NA	Dec-09-2023	8.80	[ICRA]AA-(Stable)
NA	Term loan 51	Mar-21-2022	NA	Dec-21-2024	17.49	[ICRA]AA-(Stable)
NA	Term loan 52	Dec-28-2022	NA	Dec-28-2024	50.00	[ICRA]AA-(Stable)
NA	Term loan 53	Sep-28-2021	NA	Sep-30-2024	11.81	[ICRA]AA-(Stable)
NA	Term loan 54	Sep-29-2022	NA	Sep-29-2025	60.42	[ICRA]AA-(Stable)
NA	Term loan 55	Sep-20-2021	NA	Oct-01-2023	12.50	[ICRA]AA-(Stable)
NA	Term loan 56	Mar-31-2023	NA	Mar-31-2025	86.25	[ICRA]AA-(Stable)
NA	Term loan 57	Mar-31-2021	NA	Mar-31-2024	12.22	[ICRA]AA-(Stable)
NA	Term loan 58	Dec-29-2021	NA	Dec-29-2023	33.31	[ICRA]AA-(Stable)
NA	Term loan 59	Sep-27-2022	NA	Sep-26-2024	36.58	[ICRA]AA-(Stable)
NA	Term loan 60	Mar-18-2020	NA	Jun-01-2023	1.67	[ICRA]AA-(Stable)
NA	Term loan 61	Jun-24-2021	NA	Jun-01-2024	10.42	[ICRA]AA-(Stable)
NA	Term loan 62	Jun-17-2022	NA	Jun-01-2025	22.50	[ICRA]AA-(Stable)
NA	Term loan 63	Mar-30-2022	NA	Mar-29-2025	14.38	[ICRA]AA-(Stable)
NA	Term loan 64	Mar-30-2022	NA	Mar-29-2025	14.38	[ICRA]AA-(Stable)
NA	Term loan 65	Sep-29-2021	NA	Sep-29-2024	51.52	[ICRA]AA-(Stable)

NA	Term loan 66	Mar-31-2022	NA	Feb-10-2025	102.81	[ICRA]AA-(Stable)
NA	Term loan 67	Mar-31-2022	NA	Mar-10-2025	36.98	[ICRA]AA-(Stable)
NA	Term loan 68	Jun-30-2022	NA	Jun-10-2025	83.33	[ICRA]AA-(Stable)
NA	Term loan 69	Sep-28-2021	NA	Dec-28-2023	37.50	[ICRA]AA-(Stable)
NA	Term loan 70	Oct-27-2022	NA	Apr-26-2024	40.00	[ICRA]AA-(Stable)
NA	Term loan 71	Oct-27-2022	NA	Jan-27-2025	38.89	[ICRA]AA-(Stable)
NA	Term loan 72	Jun-29-2021	NA	Jun-28-2024	3.64	[ICRA]AA-(Stable)
NA	Term loan 73	Dec-31-2021	NA	Dec-31-2024	17.50	[ICRA]AA-(Stable)
NA	Term loan 74	Feb-22-2021	NA	Dec-31-2023	27.28	[ICRA]AA-(Stable)
NA	Term loan 75	Feb-22-2021	NA	Dec-31-2023	27.28	[ICRA]AA-(Stable)
NA	Term loan 76	Jan-19-2022	NA	Jan-19-2025	90.00	[ICRA]AA-(Stable)
NA	Term loan 77	Feb-24-2022	NA	Jan-19-2025	31.20	[ICRA]AA-(Stable)
NA	Term loan 78	Feb-28-2022	NA	Jan-19-2025	28.80	[ICRA]AA-(Stable)
NA	Term loan 79	Dec-14-2022	NA	Dec-14-2025	22.92	[ICRA]AA-(Stable)
NA	Term loan 80	Dec-14-2022	NA	Dec-14-2025	22.92	[ICRA]AA-(Stable)
NA	Term loan 81	Dec-30-2022	NA	Dec-30-2025	68.75	[ICRA]AA-(Stable)
NA	Term loan 82	Dec-30-2022	NA	Dec-30-2025	68.75	[ICRA]AA-(Stable)
NA	Term loan 83	Feb-28-2023	NA	Dec-14-2025	91.67	[ICRA]AA-(Stable)
NA	Term loan 84	Feb-28-2023	NA	Dec-14-2025	45.83	[ICRA]AA-(Stable)
NA	Term loan 85	Mar-24-2023	NA	Dec-14-2025	45.83	[ICRA]AA-(Stable)
NA	Term loan 86	Jan-29-2021	NA	Apr-30-2024	11.54	[ICRA]AA-(Stable)
NA	Term loan 87	Mar-09-2023	NA	Mar-31-2026	40.00	[ICRA]AA-(Stable)
NA	Term loan 88	Mar-31-2022	NA	Mar-31-2025	13.24	[ICRA]AA-(Stable)
NA	Term loan 89	Mar-31-2022	NA	Mar-31-2025	13.24	[ICRA]AA-(Stable)
NA	Term loan 90	Jul-29-2021	NA	Jul-29-2023	1.88	[ICRA]AA-(Stable)
NA	Term loan 91	May-31-2022	NA	May-31-2024	16.25	[ICRA]AA-(Stable)
NA	Term loan 92	Mar-29-2023	NA	Mar-29-2026	75.00	[ICRA]AA-(Stable)
NA	Term loan 93	Mar-28-2022	NA	Mar-28-2025	36.36	[ICRA]AA-(Stable)
NA	Term loan 94	Mar-30-2022	NA	Mar-28-2025	36.36	[ICRA]AA-(Stable)
NA	Term loan 95	Jun-30-2021	NA	Jun-30-2024	9.17	[ICRA]AA-(Stable)
NA	Term loan 96	Mar-24-2022	NA	Mar-25-2025	18.85	[ICRA]AA-(Stable)
NA	Term loan 97	Mar-29-2022	NA	Mar-29-2024	22.92	[ICRA]AA-(Stable)
NA	Term loan – Proposed	NA	NA	NA	279.79	[ICRA]AA-(Stable)
NA	Cash credit	Dec-23-2021	NA	NA	1.00	[ICRA]AA-(Stable)
NA	Cash credit	Jun-27-2022	NA	NA	15.00	[ICRA]AA-(Stable)
NA	Cash credit	Mar-25-2022	NA	NA	20.00	[ICRA]AA-(Stable)
NA	Cash credit	Jan-11-2023	NA	NA	5.00	[ICRA]AA-(Stable)
NA	Cash credit	Dec-31-2021	NA	NA	1.00	[ICRA]AA-(Stable)
NA	Cash credit	Dec-22-2021	NA	NA	5.00	[ICRA]AA-(Stable)
NA	WCDL	Mar-25-2022	NA	NA	25.00	[ICRA]A1+
NA	WCDL	Dec-29-2022	NA	NA	25.00	[ICRA]A1+
NA	WCDL	Dec-31-2022	NA	NA	25.00	[ICRA]A1+

NA	WCDL	May-13-2022	NA	NA	25.00	[ICRA]A1+
NA	WCDL	Feb-03-2023	NA	NA	50.00	[ICRA]A1+
NA	WCDL	Sep-05-2022	NA	NA	50.00	[ICRA]A1+
NA	WCDL	Dec-31-2022	NA	NA	30.00	[ICRA]A1+
NA	WCDL	Sep-26-2022	NA	NA	50.00	[ICRA]A1+
NA	WCDL	Sep-21-2022	NA	NA	80.00	[ICRA]A1+
NA	WCDL	Dec-31-2022	NA	NA	50.00	[ICRA]A1+
NA	WCDL	May-31-2022	NA	NA	50.00	[ICRA]A1+
NA	WCDL	May-31-2023	NA	NA	50.00	[ICRA]A1+
Not applicable	Subordinated debt	Dec 28, 2017	NA	Jun 27, 2023	25.00	[ICRA]AA-(Stable)
Not applicable	Subordinated debt	Dec 29, 2017	NA	Jun 28, 2023	15.00	[ICRA]AA-(Stable)

Source: Company

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

Annexure II: 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
Pragati Finserv Private Limited	90.10%	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 the existence of control on these AIFs, in accordance with IndAS 110 (Consolidated Financial Statements), these funds have been included as a part of the consolidated financial statements of NAFL

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