

November 28, 2025

## Bhanix Finance and Investment Limited: Rating downgraded to [ICRA]BBB- (Negative)

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-convertible debentures	141.28	141.28	[ICRA]BBB- (Negative); Downgraded from [ICRA]BBB(Negative)
Non-convertible debentures	33.72	0.00	[ICRA]BBB- (Negative); Downgraded from [ICRA]BBB(Negative) and withdrawn
Long-term-Fund-based	150.00	80.00	[ICRA]BBB- (Negative); Downgraded from [ICRA]BBB(Negative)
<b>Total</b>	<b>325.00</b>	<b>221.28</b>	

\*Instrument details are provided in Annexure-I

### Rationale

To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of Bhanix Finance and Investment Limited (BFIL) and its holding company, Aeries Financial Technologies Private Limited (AFTPL), given their business linkages, common management and operational synergies. BFIL provides short-term unsecured personal loans to salaried individuals through the technology platform, CASHe. Singapore-based TSLC Pte Ltd. (TSLC) holds a ~48% stake (fully diluted basis) in AFTPL as of Oct 2025 and has licensed the CASHe mobile application to AFTPL for perpetual and exclusive use in India.

The rating action factors in the significant decline in the scale of operations, weakening in its earnings profile and constrained financial flexibility. The assets under management (AUM) declined Rs. 120 crore on September 30, 2025 from Rs. 633 crore on September 30, 2024 (on book loans reduced to 13 crore on September 30, 2025 from 109 crore in September 2024) due to the moderation in the overall disbursements, especially the on-book disbursements. BFIL however witnessed a sizeable buildup in the receivables from its lending partners and, other assets and investments (including security receipts, and unbilled revenue etc). As of September 2025, these receivables, other assets and investments accounted for 87% of the total assets of BFIL (81% in March 2025). While the on-book borrowings for BFIL have sharply reduced during H1FY2026 to ~Rs. 56 crore against and it has on-book unencumbered liquidity of Rs. 22.7 crore, the above receivables and assets significantly constrained its financial flexibility. Consequently, as on March 31, 2025 BFIL did not meet the principal business criteria (PBC) for NBFC's (ratio of financial assets to total assets and income from financial assets to total income below 50%), in this regard, the company is taking steps to ensure compliance by FY2027, the execution of the same would remain a key monitorable.

Further, the reduction in book size resulted in weakening in its profitability. While AFTPL on a consolidated basis (BFIL standalone at Rs. 3 crore) reported a net profit of Rs. 3 crore in FY2025, supported by gains from derecognition of financial assets and gain on financial assets. A significant improvement asset/lending book profile would remain key for recovery in earnings profile on a sustained basis.

The ratings consider the consolidated (AFTPL) tangible net worth<sup>1</sup> of Rs. 324 crore and a managed gearing of 0.9 times as on March 31, 2025 (Rs. 292 crore and 3.1 times, respectively, as on March 31, 2024) supported by capital raise of Rs. 27 crore in FY2025. However, in the delays in material realisation of inflows from the other assets, the company would need to raise capital to support its near-term financial flexibility and liquidity, which is currently stretched due to the above-mentioned factors.

The negative outlook on the rating reflects its weak profitability and its constrained financial flexibility.

<sup>1</sup> Net of goodwill and compulsory convertible debentures (as per ICRA calculations)

In accordance with the policy on withdrawal of credit ratings, ICRA has downgraded and withdrawn the ratings assigned to Rs. 33.72 crore non-convertible debenture programme as no amount is outstanding against the same.

## Key rating drivers and their description

### Credit strengths

**Adequate capital profile; exposure to non-lending assets resulting in elevated risks** - AFTPL on a consolidated basis had a tangible net worth<sup>2</sup> of Rs. 324 crore and a managed gearing of 0.9 times as on March 31, 2025 (Rs. 292 crore and 3.1 times, respectively, as on March 31, 2024), supported by the Rs. ~27 crore equity raised from in FY2025. The decline in scale of operations in H1FY2026 has resulted in further decline in the managed gearing to ~0.5 times as on September 30, 2025. BFIL standalone stood at Rs. 298 crore as on September 30, 2025. BFIL however witnessed a sizeable buildup in the receivables from its lending partners and, other assets and investments (including security receipts, and unbilled revenue etc). As of September 2025, these receivables, other assets and investments accounted for 87% of the total assets and 115% of net worth, respectively, of BFIL (81% and 130%, respectively, in March 2025), which impacts its financial flexibility. While ICRA notes that sizeable part of these is from better profiled entities, delays in realisation of inflows from these other assets, would necessitate equity capital raising to support its near-term financial flexibility and liquidity.

### Credit challenges

**Sizeable build-up in receivables and other assets and significant decline in loan book limits financial flexibility** - BFIL started operations in 2017 and its AUM scaled up at a compound annual growth rate (CAGR) of 69% during FY2019-FY2023. However, the AUM declined to Rs. 120 crore as on September 30, 2025 from Rs. 633 crore on September 30, 2024 (Rs. 231 crore on March 31, 2025) due to moderate disbursements, especially under on book portfolio. Further, despite the reduction in the loan book in FY2025, there has been a sizeable buildup in the receivables from its lending partners and, other assets and investments (including security receipts, and unbilled revenue etc) to Rs. 343.73 crore as on September 30, 2025 and Rs. 385.26 crore as on March 31, 2024 wherein the net cash inflows have been limited and exerts pressure on the liquidity profile

**Weakening profitability** - The reduction in book size and consequent increase in share of non-interest yielding assets on the balance sheet resulted in significant weakening in profitability for the company. While BFIL on a standalone basis and AFTPL on a consolidated basis reported a net profit of Rs. 3 crore in FY2025 (net loss of Rs. 30 crore and net profit of 0.6 crore, respectively, in FY2024), supported to the extent of Rs. 21.5 crore by gains from derecognition of financial assets and Rs. 40.2 crore fair value gain on financial assets in FY2025. A significant improvement asset/lending book profile through realisation of inflows from the receivables from its lending partners, investments other assets would remain key for recovery in earnings profile on a sustained basis.

Further, the inherent riskiness in BFIL's portfolio remains high due to the unsecured nature of the loans and the moderate borrower profile. While the absolute gross non-performing assets (GNPA) for BFIL declined to Rs. 7.2 crore on March 31, 2025 from Rs. 64.7 crore on March 31, 2024, it reported an uptick in gross non-performing advances (GNPAs) and Net NPAs to 13.4% and 9.2% of the gross loan book as on March 31, 2025 compared to 12.4% and 6.9% as on March 31, 2024.

### Liquidity position: Stretched

A significant share of the assets comprises of non-interest earnings assets such as trade receivables, other financial assets, investment in security receipts and tax assets amongst others wherein the net cash inflows have been limited and are likely to exert pressure on the liquidity profile. As per the asset-liability management (ALM) statement of BFIL for September 30, 2025, it has scheduled principal debt repayments of ~Rs. 50.5 crore for the 12-month period ending September 30, 2026 for the same period. The company had unencumbered cash and bank balance of ~Rs. 22.7 crore as on September 30, 2025 which are sufficient to meet the debt obligations till March 2026. Additionally, the scheduled inflows from advances stood at Rs. 13 crore for the period

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<sup>2</sup> Net of goodwill and compulsory convertible debentures (as per ICRA calculations)

ending September 30, 2026. In delays in material realisation of inflows from the other assets, the company would need to raise capital to support its near-term financial flexibility and liquidity, which is currently stretched. ICRA takes note of debt covenants for NCDs including rating related covenants which could adversely impact the liquidity profile of the company.

### Rating sensitivities

**Positive factors** – ICRA would revise the outlook to stable on a sustainable improvement in its financial flexibility, increase in the scale of its lending business and improvement in its earnings performance.

**Negative factors** – Sustained elevated levels of other receivables and assets affecting its liquidity and earnings performance would negatively impact the ratings.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">ICRA's Credit Rating Methodology for Non-banking Finance Companies Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation; To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of BFIL and its holding company, AFTPL, given their business linkages, common management and operational synergies

### About the company

Bhanix Finance and Investment Limited (BFIL) was incorporated in 1996 as a non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI). Aeries Financial Technologies Private Limited (AFTPL) acquired a 100% stake in BFIL in 2017. TSLC Pte Ltd. (TSLC), a Singapore-based company, has a ~48% stake (fully diluted basis) in AFTPL as on October 31, 2025, while other investors and promoter-owned entities held the balance. TSLC Pte Ltd. (TSLC), a Singapore based company, operating in financial technology owns all the intellectual property developed for CASHe and has the worldwide rights outside of India to the application of its intellectual property for its lending tech platform.

Mr. Raman Kumar, group chairman is the founder & former chairman/CEO of MModal (listed on NASDAQ), Further the management of BFIL has considerable experience in the field of banking and financial services and technology platform development. AFTPL has a set of directors including Mr. Deepak Amitabh, who is an experienced senior bureaucrat, Ex-IRS officer. He is former CMD of PTC India Limited and an advisor to Adani Group.

BFIL provides short-term unsecured personal loans to salaried individuals through CASHe. BFIL focuses on near-prime (below 700 bureau score) borrowers not getting loans from banks. TSLC has licensed the CASHe mobile application to AFTPL for perpetual and exclusive use in India. In turn, AFTPL has sublicensed the application to BFIL. The licence is irrevocable, exclusive, non-transferrable and perpetual in nature. As on September 30, 2025, BFIL's AUM stood at about Rs. 120 crore with long-tenure products (more than 270 days) accounting for ~96% while relatively shorter-tenure products (less than 270 days) accounted for the balance (~4%).

On a standalone basis, BFIL reported a PAT of Rs. 3.1 crore on a total income of Rs. 280 crore and a total managed asset base of Rs. 661 crore in FY2025 compared to a net loss of Rs. 30 crore on a total income of Rs. 588 crore and a total managed asset base of Rs. 1,315 crore in FY2024. The company reported a PAT of Rs. 1.45 crore on total income of Rs. 42 crore and total managed asset base of Rs. 501 crore in H1FY2026.

On a consolidated basis, AFTPL reported a net profit of Rs. 2.7 crore on a total income of Rs. 306 crore in FY2025 compared to a PAT of Rs. 0.6 crore on a total income of Rs. 657 crore in FY2024.

### Key financial indicators (audited)

For the period/year ended	BFIL (standalone)			AFTPL (consolidated)	
	FY2024	FY2025	H1 FY2026	FY2024	FY2025
	IndAS	IndAS	IndAS	IndAS	IndAS
Accounting standard	Audited	Audited	Provisional	Audited	Audited
<b>Total income*</b>	588	280	41.8	657	306
<b>Profit after tax</b>	-30	3.1	1.5	0.6	2.7
<b>Total managed assets</b>	1,315	661	501	1,351	695
<b>Return on managed assets</b>	-2.2%	0.3%	0.5%	0.0%	0.3%
<b>Managed Gearing (times)</b>	3.4	0.9	0.5	3.1	0.9
<b>Gross stage 3%/Gross NPA</b>	12.4%	13.4%	NA	6.0%	13.3%
<b>CRAR%</b>	30.2%	53.6%	NA	NA	NA

Source: Company, ICRA Research; Amount in Rs. crore; All figures and ratios as per ICRA's calculations; \*excluding bad debts recovered and sale of portfolio to ARCs; Managed gearing = Borrowings + Off-balance sheet advances/Net worth; Total managed assets = Total assets + Impairment loss allowance on gross loans + off-balance sheet advances

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	Nov 28, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
<b>Fund-based- Others</b>	Long Term	80.00	[ICRA]BBB- (Negative)	Nov 29, 2024	[ICRA]BBB (Negative)	Nov 20, 2023	[ICRA]BBB (Stable)	Nov 18, 2022	[ICRA]BBB (Stable)
				Dec 12, 2024	[ICRA]BBB (Negative)	-	-	-	-
				Mar 28, 2025	[ICRA]BBB (Negative)	-	-	-	-
<b>Non-convertible debentures</b>	Long Term	141.28	[ICRA]BBB- (Negative)	Nov 29, 2024	[ICRA]BBB (Negative)	Nov 20, 2023	[ICRA]BBB (Stable)	Oct 25, 2022	[ICRA]BBB (Stable)
				Dec 12, 2024	[ICRA]BBB (Negative)	-	-	Nov 18, 2022	[ICRA]BBB (Stable)
				Mar 28, 2025	[ICRA]BBB (Negative)	-	-	Nov 18, 2022	[ICRA]BBB (Stable)
<b>Commercial Paper</b>	Short Term			Nov 29, 2024	[ICRA]A3+	Nov 20, 2023	[ICRA]A3+	Nov 18, 2022	[ICRA]A3+
				Dec 12, 2024	[ICRA]A3+	-	-	-	-
				Mar 28, 2025	[ICRA]A3+; withdrawn	-	-	-	-
<b>Market Linked Debenture</b>	Long Term			Nov 29, 2024	PP- MLD[ICRA]BBB (Negative)	Nov 20, 2023	PP- MLD[ICRA]BBB (Stable)	Nov 18, 2022	PP- MLD[ICRA]BBB (Stable)
				Dec 12, 2024	PP- MLD[ICRA]BBB (Negative); withdrawn	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Non-convertible debentures	Very Simple
Long-term-Fund-based-Others	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 (as on November 21, 2025)**

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE08X507293	Non-convertible debentures	14-Mar-2024	13.50%	16-Mar-2025	2.92	[ICRA]BBB- (Negative); withdrawn
INE08X507301	Non-convertible debentures	12-Apr-2024	13.50%	14-Apr-2025	3.53	[ICRA]BBB- (Negative); withdrawn
INE08X507327	Non-convertible debentures	28-Jun-2024	14.25%	01-Jul-2025	2.27	[ICRA]BBB- (Negative); withdrawn
INE08X507343	Non-convertible debentures	10-Jul-2024	10.75%	16-Jul-2025	10.00	[ICRA]BBB- (Negative); withdrawn
INE08X507335	Non-convertible debentures	10-Jul-2024	10.75%	15-Jul-2025	10.00	[ICRA]BBB- (Negative); withdrawn
INE08X507350	Non-convertible debentures	18-Jul-2024	15.00%	28-Jul-2025	2.50	[ICRA]BBB- (Negative); withdrawn
INE08X507376	Non-convertible debentures	03-Sep-2024	15.00%	06-Oct-2025	1.75	[ICRA]BBB- (Negative); withdrawn
INE08X507368	Non-convertible debentures	03-Sep-2024	15.00%	03-Oct-2025	0.75	[ICRA]BBB- (Negative); withdrawn
INE08X507384	Non-convertible debentures	30-Sep-2024	14.00%	30-Oct-2025	1.65	[ICRA]BBB- (Negative)
INE08X507392	Non-convertible debentures	30-Sep-2024	15.00%	30-Mar-2026	0.5	[ICRA]BBB- (Negative)
INE08X507400	Non-convertible debentures	24-Oct-2024	14.00%	24-Nov-2025	1.78	[ICRA]BBB- (Negative)
INE08X507418	Non-convertible debentures	29-Oct-2024	11.00%	29-Nov-2025	4	[ICRA]BBB- (Negative)
INE08X507426	Non-convertible debentures	09-Dec-2024	16.00%	09-Jun-2026	0.50	[ICRA]BBB- (Negative)
INE08X507434	Non-convertible debentures	04-Jan-2025	14.00%	04-Feb-2026	5.00	[ICRA]BBB- (Negative)
INE08X507442	Non-convertible debentures	07-Jan-2025	12.00%	07-Jul-2026	1.00	[ICRA]BBB- (Negative)
INE08X507459	Non-convertible debentures	07-Jan-2025	11.00%	07-Feb-2026	4.00	[ICRA]BBB- (Negative)
INE08X507467	Non-convertible debentures	31-Jan-2025	15.00%	28-Feb-2026	5.00	[ICRA]BBB- (Negative)
INE08X507475	Non-convertible debentures	29-Mar-2025	14.00%	29-Apr-2026	5.00	[ICRA]BBB- (Negative)
INE08X507483	Non-convertible debentures	28-Apr-2025	14.00%	28-May-2026	5.00	[ICRA]BBB- (Negative)
INE08X507491	Non-convertible debentures	07-May-2025	14.00%	07-Jun-2026	5.00	[ICRA]BBB- (Negative)
INE08X507509	Non-convertible debentures	10-Jun-2025	14.00%	10-Jul-2026	15.00	[ICRA]BBB- (Negative)
INE08X507517	Non-convertible debentures	22-Jul-2025	14.00%	22-Aug-2026	5.00	[ICRA]BBB- (Negative)

INE08X507525	Non-convertible debentures	18-Aug-2025	10.94%	18-Sep-2026	5.00	[ICRA]BBB-(Negative)
INE08X507533	Non-convertible debentures	24-Sep-2025	14.00%	02-Nov-2026	5.00	[ICRA]BBB-(Negative)
INE08X507541	Non-convertible debentures	17-Oct-2025	14.00%	17-Nov-2026	5.00	[ICRA]BBB-(Negative)
NA	Non-convertible debentures*	NA	NA	NA	67.85	[ICRA]BBB-(Negative)
NA	Long-term fund based	NA	NA	NA	80.00	[ICRA]BBB-(Negative)

Source: Company; \* Proposed/ yet to be placed

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

## Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation
<b>Aeries Financial Technologies Private Limited (AFTPL)</b>	Holding company	Full consolidation
<b>Bhanix Finance and Investment Limited (BFIL)</b>	Rated entity (100% subsidiary of AFTPL)	Full consolidation
<b>Sqrrl Fintech Pvt Ltd (SFPL)</b>	Fellow subsidiary (100% subsidiary of AFTPL)	Full consolidation
<b>Aeries Fintech Pvt Ltd (AFPT)</b>	Fellow subsidiary (85.75% subsidiary of AFTPL)	Full consolidation

Source: Company

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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## ICRA Limited

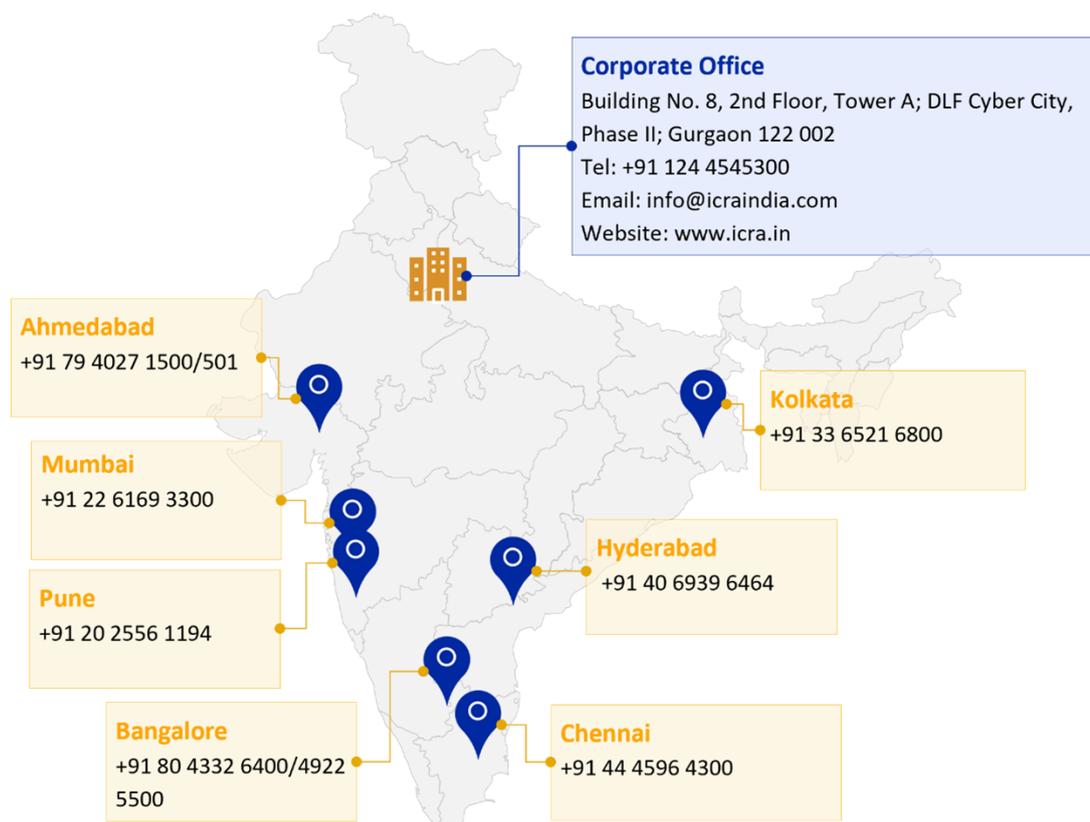


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