April 05, 2023

Akara Capital Advisors Private Limited: Provisional [ICRA]BBB+(CE) (Stable) assigned to bank line programme; earlier ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based term loan	-	15.00	Provisional [ICRA] BBB+(CE) (Stable); assigned
Market linked debentures	30.00	30.00	PP-MLD [ICRA]BBB (Stable); reaffirmed
Long-term fund-based – term loan	75.00	75.00	[ICRA]BBB (Stable); reaffirmed
Commercial paper	80.00	80.00	[ICRA]A3+; reaffirmed
Non-convertible debentures	370.00	370.00	[ICRA]BBB (Stable); reaffirmed
Total	**555.00**	**570.00**	

**Instrument details are provided in Annexure I*

Rating in absence of the pending steps/documentation for provisional ratings	[ICRA]BBB (Stable)
Rating without explicit credit enhancement	[ICRA]BBB

Note: The (CE) suffix mentioned alongside the (provisional) rating symbol indicates that the rated instrument/facility is to be backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The above table also captures ICRA's opinion on (a) the rating if the pending actions/documents are not completed, and (b) the rating without factoring in the proposed explicit credit enhancement

The assigned rating is provisional as of now (as denoted by the prefix, Provisional, before the rating symbol) and is subject to the fulfilment and review of all pending actions/documentation pertaining to the instrument rated by ICRA. The final rating may differ from the provisional rating in case the completed actions/documentation are not in line with ICRA's expectations

Rationale

For the Provisional [ICRA]BBB+(CE) (Stable) rating

The rating assigned to Akara Capital Advisors Private Limited's (ACAPL) Rs. 15-crore bank line programme is based on the strength of an unconditional and irrevocable guarantee to be provided by Northern Arc Capital Limited (NACL; rated [ICRA]AA-(Stable)/[ICRA]A1+).

Adequacy of credit enhancement

For assigning the rating, ICRA has assessed the attributes of the partial guarantee issued by NACL in favour of the said instrument. While the guarantee is legally enforceable, irrevocable, unconditional, covers the entire tenor of the rated facility, and has a well-defined invocation and payment mechanism, it does not cover the entire rated amount. The guarantee would be 29.00% of the initial loan amount, guaranteeing the repayment of the principal and the payment of the interest amount in relation to the facility for six months. NACL has waived off all the suretyship rights available under the law. However, the credit enhancement provided in the guarantee shall cease to be available to the Lender if the terms of the facility are modified, without any intimation to NACL, adversely impacting NACL's obligations.

Taking cognizance of the above credit enhancement, ICRA has assigned a rating of [ICRA]BBB+(CE) (Stable) to the said facility against the unsupported rating of [ICRA]BBB (and in relation to the guarantor's rating of [ICRA]AA- (Stable)/[ICRA]A1+). Any change in the ratings of the guarantor or the unsupported rating of ACAPL change would have a bearing on the rating of the aforesaid facility as well.

Salient covenants of the rated facility

- The tenure of the facility is 24 months with equated monthly interest and principal repayment.
- The guarantee amount shall remain stable in absolute terms till it is reset. It can be reduced subject to the confirmation/affirmation of the rating agency.
- In addition to the partial guarantee, the borrower will maintain a pool of loan receivables which would be at least 1.10 times the outstanding amount of the facility. In case ACAPL's senior secured long-term rating is downgraded below BBB or the rating of the facility is downgraded below BBB (CE) or there is a breach of any the financial covenants which is not cured within 90 days of the financial quarter in which the breach took place, then ACAPL shall make weekly repayments and shall transfer the collections from the Hypothecated Property to the Collection and Payment Account on a weekly basis.
- The security cover shall be met only with Receivables that do not have any principal, interest, additional interest, fee or any other expected payments overdue. For this purpose, the Borrower shall, with the consent of the Lender, replace any Receivables constituting the Hypothecated Property that has one or more instalments of principal, interest, additional interest, fee or any other expected payments overdue for more than 90 (ninety) days with Performing Loans that meet the Eligibility Criteria. Such replacement shall be done on or before the 15th of any calendar month.
- The Borrower shall report/file such list of assets, comprising the Hypothecated Assets, with the concerned Registrar of Companies (ROC) and the Central Registry of Securitisation Asset Reconstruction and Security Interest of India in relation thereto as soon as practicable and no later than 30 (thirty) days.

For the [ICRA]BBB (Stable) rating

To arrive at ACAPL's ratings, ICRA has taken a consolidated view of the credit profiles of ACAPL and Group company, EQX Analytics Private Limited (EQXAPL), owing to their business linkages, common management and shared infrastructure. ACAPL provides unsecured personal loans of up to Rs. 5 lakh to salaried individuals through the Group's technology platform and has a pan-India presence. The Group's technology platform, known as StashFin, which has been built in-house, is a part of EQXAPL and is currently used by ACAPL and its co-lending partners. ACAPL and EQXAPL are wholly-owned subsidiaries of Morus Technologies Pte. Ltd (MTPL), the Singapore-based holding company, which is backed by foreign investors like Tencent Group, Fasanara Capital, Uncorrelated Ventures, etc.

The ratings factor in ACAPL's adequate capitalisation profile with a consolidated net worth of Rs. 326 crore and a low gearing of 2.8 times as on December 31, 2022 (Rs. 279 crore and 1.3 times, respectively, as on March 31, 2022; Rs. 95 crore and 0.6 times, respectively, as on March 31, 2021). The gearing, adjusted for the first loss default guarantee (FLDG) commitments, stood at 2.9 times as on December 31, 2022. The improvement in the capitalisation was driven by capital infusions of Rs. 198 crore in FY2022 and Rs. 39 crore in 9M FY2023. This helped the company improve its scale of operations further with its assets under management (AUM) increasing to Rs. 1,060 crore as on December 31, 2022 (Rs. 559 crore as on March 31, 2022, and Rs. 114 crore as on March 31, 2021).

The ratings also factor in the improved visibility on capital support for ACAPL from the parent, MTFL, following the conversion of debt (preference shares/compulsory convertible debentures/optionally convertible debentures) amounting to ~Rs. 409 crore into equity in Q2 FY2023. With ACAPL and EQX being the sole investments of MTPL, ICRA believes that this equity will be available in entirety for ACAPL as growth capital. ICRA also notes the improvement in the funding profile with the company raising external commercial borrowings (ECBs) from investors at relatively competitive rates and diversifying the domestic lender base. ACAPL has additional committed ECB lines, which would support the business growth, going forward. Notwithstanding this, given the high growth plans, the company would need to continuously expand the lender base, going forward as well. The ratings also consider ACAPL's granular retail portfolio, comprising small-ticket loans to individuals.

The ratings are, however, constrained by the subdued profitability indicators on a consolidated basis with the Group reporting net losses since inception till 9M FY2023 due to its high operating and credit costs. ACAPL has stopped the practice of incurring

100% of the FLDG costs since December 2022, in compliance with the digital lending norms of the Reserve Bank of India (RBI), which is expected to moderate credit costs further. At the same time, operating expenses (12.7% in relation to average assets for 9M FY2023) moderated with the improvement in the scale. Additionally, the net interest margin (NIM) improved due to increasing yields. Hence, the losses declined to Rs. 3 crore in 9M FY2023 from Rs. 14 crore in FY2022. ICRA expects the profitability to improve, going forward, supported by some improvement in the NIM, lower credit costs and higher operating efficiency with economies of scale.

The ratings also factor in the inherent vulnerability associated with the Group's portfolio, given the unsecured nature of the loans. Nevertheless, the asset quality indicators have remained range-bound so far with 90+ days past due (dpd) of 3.1% as on December 31, 2022, and overall credit costs of 0.9% in relation to cumulative disbursements (since FY2020). Further, the regulatory landscape for fintech lenders is currently evolving; thus, the impact of regulations on the company's business operations would be a monitorable. Overall, ACAPL's ability to profitably scale up the business while maintaining prudent capitalisation and controlling the asset quality would be a key monitorable.

Key rating drivers and their description

Credit strengths

Presence of partial guarantee for credit-enhanced term loan of Rs. 15 crore – The Rs. 15-crore rated term loan is credit enhanced by an unconditional, irrevocable, and payable on demand guarantee from NACL (partial credit guarantee (PCG) provider), amounting to 29.00% of the initial loan amount, guaranteeing the repayment of the principal and the payment of interest amount in relation to the facility.

Adequate capitalisation for current scale of operations; committed capital support from parent – ACAPL's capitalisation profile is adequate for the current scale of operations with a consolidated net worth of Rs. 326 crore and a low gearing of 2.85 times as on December 31, 2022. The company raised Rs. 198 crore in FY2022 and Rs. 39 crore in 9M FY2023 from its parent. Regular capital infusions by the parent have resulted in a comfortable gearing of 2.85 times as on December 31, 2022 (gearing of 2.7 times for ACAPL (standalone) and capital-to-risk weighted assets ratio (CRAR) of 25.7% as on December 31, 2022). Further, there is improved visibility on subsequent capital support from the parent following the conversion of debt (preference shares/compulsory convertible debentures/optionally convertible debentures) amounting to ~Rs. 409 crore into equity in Q2 FY2023. With ACAPL and EQX being the sole investments of MTPL, ICRA believes that this equity will be available in entirety for ACAPL as growth capital. ICRA notes that the capital would be infused in tranches for efficient capital management.

However, the leverage is expected to always remain below 3 times. As a result, ACAPL would need equity infusions from its parent over the medium term to maintain prudent capitalisation levels. Also, prudent capitalisation is one of the key mitigants against delinquencies and other credit risks associated with the Group's business. In this regard, ICRA notes that the company raised fresh capital from its promoters in March 2023. This, combined with support from the investors in the form of ECBs, would support the business growth going forward.

Granular retail portfolio – ACAPL's portfolio is granular, comprising small-ticket loans to individuals with a ticket size in the range of Rs. 1,000 – Rs. 5 lakh. About 8% of the AUM consisted of very small-ticket loans of less than Rs. 10,000 while the balance comprised loans of up to Rs. 5 lakh as on December 31, 2022. The short tenure of the loans (1-36 months) also provides support to the liquidity profile.

Credit challenges

Modest though increasing scale of operations; ability to raise funds in a timely manner critical for growth – ACAPL's AUM grew at a high rate of 392% to Rs. 559 crore as on March 31, 2022 from Rs. 114 crore as on March 31, 2021, albeit on a small base. The AUM grew further to Rs. 1,060 crore as on December 31, 2022. The high growth was supported by disbursements of Rs. 1,201 crore in FY2022 and Rs. 1,754 crore in 9M FY2023 compared to Rs. 172 crore in FY2021. Though the company has a pan-India presence in terms of its borrowers, the scale of operations remains limited. This is also partly due to the short tenure of the loans and hence faster amortisation. ICRA believes that achieving economies of scale would remain pivotal for the Group to attain net profitability on a sustainable basis. Therefore, its ability to raise further funds (both debt and equity) in a timely manner will be critical for growth.

Limited, albeit improving, financial flexibility – ACAPL's financial flexibility remains limited with high dependency on larger non-banking financial companies (NBFCs) for its funding needs. The average cost of funds remains high in the range of 10-15% with the average tenure of borrowing at ~23 months. In this regard, the committed ECB lines from its investors of ~Rs. 1,500 crore, of which Rs. 242 crore has already been disbursed, provides comfort. The infusion of ECB lines in the borrowing mix is also expected to moderate the cost of borrowing to some extent, thereby improving the NIM. ICRA also notes the recent improvement in the domestic borrowing mix with the company adding lenders from the banking as well as non-banking sector.

Muted profitability on consolidated basis; operating efficiency expected to improve with scale – Though ACAPL reported modest profitability over the last few fiscals (average return on assets (RoA) of 1.2% during FY2019-9MFY2023) on a standalone basis, the profitability has remained muted on a consolidated basis with the Group reporting losses since inception due to the high operating and credit costs. ACAPL reported a net loss of Rs. 14 crore in FY2022 on a consolidated basis compared with a net loss of Rs. 12 crore in FY2021. However, the losses declined to Rs. 3 crore in 9M FY2023, driven by increasing NIMs along with the moderation in operating and credit costs.

ACAPL has stopped the practice of incurring 100% of the FLDG costs since December 2022, in compliance with the RBI's digital lending norms. This will result in a further moderation in the credit costs. At the same time, operating expenses (12.7% in relation to average assets for 9M FY2023) moderated with the improvement in scale. Increasing NIMs along with higher yields also supported the profitability. ICRA expects the profitability to improve, going forward, supported by the improvement in the NIM, lower credit costs and higher operating efficiency with economies of scale, provided the company can maintain strict control over fresh slippages.

Improved asset quality indicators though sustainability through economic cycles remains to be seen – ACAPL started operations in 2017 and witnessed a compound annual growth rate (CAGR) of ~88% in the last three years. With an average loan tenure of 14-15 months and a large portion of the loans being originated in H2 FY2022 and 9M FY2023 (disbursement of Rs. 845 crore in H2 FY2022 and Rs. 1,754 crore in 9M FY2023), portfolio seasoning remains low and the asset quality indicators are yet to be tested across economic cycles. The inherent riskiness in ACAPL's portfolio also remains high due to the unsecured nature of the loans.

The company's gross non-performing advances (GNPAs; recognised on 90+ dpd basis) stood at 3.1% as on December 31, 2022. The GNPA%, including write-offs/FLDG expenses, on a consolidated basis remained high at 13.0% of AUM as on December 31, 2022 (13.2% as on March 31, 2022 and 6.7% as on March 31, 2021). The 90+ dpd stood at 0.9%, basis cumulative disbursements (since FY2020), as on December 31, 2022 while the overall credit costs, in relation to cumulative disbursements, stood at 1.9% (since FY2020). ICRA notes that ACAPL has developed an adequate risk management system to detect fraud and its ability to control slippages, manage fraud risk and maintain good credit underwriting standards would be a key rating monitorable, going forward.

Liquidity position: Adequate

For the Provisional [ICRA]BBB+(CE) (Stable) rating

Adequate liquidity is available for the rated term loan in the form of a PCG from NACL and the security pool. The PCG as well as the collections from the security pool can be utilised for meeting the scheduled payouts, if required.

For the [ICRA]BBB (Stable) rating: Adequate

ACAPL's liquidity position is adequate with no negative cumulative mismatches in the asset-liability management (ALM) statement as on January 31, 2023, owing to the short tenure of the loan book and adequate on-balance sheet liquidity. The company's cash and bank balance stood at ~Rs. 236 crore as on January 31, 2023. Further, the expected inflows from advances in the next 1 year std at Rs. 725 crore, which is sufficient to cover debt repayments of Rs. 493 crore during this period.

For support provider (NACL): Adequate

As of December 31, 2022, NACL had positive mismatches across all the buckets of the structural liquidity statement. The average tenor of the loan/investment portfolio is 1-2 years. On the other hand, NACL has secured a sizeable portion of its borrowings from longer-tenor loans (average tenor of ~3 years) while only 4% of the total borrowings is from short-term sources including commercial paper, cash credit and working capital demand loan as of December 2022. As of December 2022, term loans, working capital facilities from banks, non-convertible debentures (NCDs; including sub-debt), ECBs and commercial papers accounted for 59%, 3%, 21%, 16% and 1%, respectively, of the total borrowings. NACL had cash and liquid investments of Rs. 430.0 crore and undrawn bank lines of Rs. 926.2 crore as on March 20, 2023, with payment obligations of Rs. 1,318.9 crore during March 21, 2023 to June 30, 2023. The monthly collection efficiency remained robust throughout 9M FY2023 at about 99-101%.

Rating sensitivities

For the Provisional [ICRA]BBB+(CE) (Stable) rating

The rating assigned to the Rs. 15-crore term loan programme would remain sensitive to any movement in the ratings or outlook of ACAPL and NACL.

For the [ICRA]BBB (Stable) rating

Positive factors – An increase in the scale of operations along with an improvement in the profitability indicators, while maintaining good asset quality and a prudent capitalisation structure on a sustained basis, could lead to a rating upgrade.

Negative factors – A decline in the scale of operations or a deterioration in the asset quality indicators, resulting in pressure on the profitability indicators, could lead to a rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's rating methodology for non-banking finance companies ICRA's rating approach – Consolidation Rating methodology for partially guaranteed debt
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation

Pending actions/documents required to be completed for conversion of the provisional rating into final

The assigned rating is provisional and would be converted into final upon the execution of –

1. Deed of Guarantee
2. Facility Agreement
3. Any other documents executed for the transaction

Validity of the provisional rating

In case the borrowing facility for which a provisional rating has been assigned is subsequently issued, the provisional rating would have to be converted into a final rating within 90 days (validity period) from the date of availing the borrowing facilities. If considered appropriate, the validity period may be extended by a further 90 days for converting the provisional rating into final, in circumstances where the rated entity expressly indicates its intention to complete the pending actions/documents over the near term. Under no circumstances shall the validity period be extended beyond 180 days from the date of issuance. For further details, refer to ICRA's Policy on Provisional Ratings available at www.icra.in.

If neither the pending actions/documents nor the issuance is completed after one year of the assignment of the provisional rating, ICRA would withdraw the provisional rating. However, the validity period may be extended beyond one year, subject to the conditions outlined in ICRA's Policy on Provisional Ratings available at www.icra.in.

Risks associated with the provisional rating

In case the issuance is completed, but the pending actions/documents are not completed by the entity within 90 days (validity period) from the date of issuance, the provisional rating will be converted into final upon a review of the required actions/documents to the extent these are completed by the end of the validity period. This implies that the provisional rating may even be revised at the end of the validity period, while being converted into final, to a level commensurate with the rating in the absence of the pending actions/documents (as disclosed earlier in the rationale). ICRA may consider extending the validity period in accordance with its Policy on Provisional Ratings available at www.icra.in.

About the company

ACAPL is a Delhi-based non-deposit taking NBFC registered with the Reserve Bank of India (RBI) since 2016. It started operations in 2017. The company primarily provides unsecured short-term personal loans to salaried individuals through web and mobile platforms. It was started by Mr. Tushar Aggarwal, Ms. Shruti Aggarwal and Mr. Parikshit Chitalkar, who have several years of experience in the financial services industry. ACAPL is currently owned by MTPL, a Singapore-based neobanking start-up backed by investors like Tencent Group, Fasanara Capital, Altara Ventures, Uncorrelated Ventures, etc.

ACAPL is a 100% subsidiary of MTPL (holding company incorporated in Singapore). The Group has another 100% subsidiary, EQX Analytics Private Limited (EQXAPL), which houses the technology platform known as StashFin and sources leads. The technology platform is used by ACAPL and other co-lenders for lending to customers.

On a standalone basis, ACAPL reported a profit after tax (PAT) of Rs. 4.3 crore in FY2022 on a total asset base of Rs. 636.4 crore compared with a PAT of Rs. 1.8 crore in FY2021 on a total asset base of Rs. 132.2 crore as on March 31, 2021. In 9M FY2023, the company reported a PAT of Rs. 12.6 crore on a total asset base of Rs. 1,254.7 crore (based on provisional financials). As on December 31, 2022, the company's standalone net worth was Rs. 330 crore with a gearing of 2.7 times.

On a consolidated basis (ACAPL & EQXAPL), the Group reported a loss of Rs. 14 crore in FY2022 on a total asset base of Rs. 694 crore as on March 31, 2022 compared with a loss of Rs. 12 crore in FY2021 on a total asset base of Rs. 193 crore as on March 31, 2021. In 9M FY2023, the Group (on a consolidated basis) reported a loss of Rs. 3 crore on a total asset base of Rs. 1,344 crore (based on provisional financials) as on December 31, 2022. As on December 31, 2022, the company's consolidated net worth stood at Rs. 326 crore with a gearing of 2.8 times.

Key financial indicators

ACAPL (standalone)	FY2021/Mar-21	FY2022/Mar-22	9M FY2023/Dec-22
	Audited	Audited	Provisional
Total income	21	49	91
Profit after tax	2	4	13
Net worth	77	279	330
Loan book (gross)	92	514	879
Total assets	132	636	1,255
Return on assets	1.5%	1.1%	1.8%
Return on net worth	3.2%	2.4%	5.5%
Gross stage 3	0.0%	0.0%	3.1%
Net stage 3	0.0%	0.0%	2.4%
Gross gearing (times)	0.6	1.2	2.7
Solvency (net stage 3/ net worth)	0.0%	0.0%	2.2%
CRAR	55.1%	43.3%	25.7%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

Key financial indicators (audited)

ACAPL (consolidated)	FY2021/Mar-21	FY2022/Mar-22	9M FY2023/Dec-22
	Audited	Audited	Provisional
Total income	30	97	160
Profit after tax	-12	-14	-3
Net worth	95	279	326
Loan book (gross)	92	514	924
Total assets	193	694	1,344
Return on assets	-6.6%	-3.2%	-0.3%
Return on net worth	-13.8%	-7.5%	-1.2%
Gross stage 3	0.0%	0.0%	3.1%
Net stage 3	0.0%	0.0%	2.4%
Gross gearing (times)	0.6	1.3	2.8
Solvency (net stage 3/ net worth)	0.0%	0.0%	2.2%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

Northern Arc Capital Limited (support provider)

Northern Arc Capital Limited (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 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%).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years					
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Feb 21, 2023 (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023			Date & Rating in FY2022		Date & Rating in FY2021
					Apr 05, 2023	Dec 20, 2022	Oct 20, 2022	Oct 03, 2022	Mar 11, 2022	Dec 09, 2021	-
1	Long-term fund-based term loan	LT	15.00	0.00	Provisional [ICRA]BBB+ (CE) (Stable)	-	-	-	-	-	-
2	Long-term fund-based term loan	LT	75.00	0.00	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-
3	Non-convertible debentures	LT	370.00	234.00	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB- (Stable)	-	-
4	Market linked debentures	LT	30.00	0.00	PP-MLD [ICRA]BBB (Stable)	PP-MLD [ICRA]BBB (Stable)	-	-	-	-	-
5	Commercial paper	ST	80.00	0.00	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3		

LT – Long term, ST – Short term

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term term loans	Simple
Non-convertible debentures	Simple
Market linked debentures	Simple
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 as on February 21, 2023

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term fund-based term loan ^	NA	NA	NA	15.00	Provisional [ICRA]BBB+(CE) (Stable)
NA	Long-term fund-based term loan ^	NA	NA	NA	75.00	[ICRA]BBB (Stable)
INE08XP07027	NCD	Mar-16-2022	14.55%	Mar-15-2024	20.00	[ICRA]BBB (Stable)
INE08XP07019	NCD	Mar-31-2022	13.17%	Jul-03-2023	40.00	[ICRA]BBB (Stable)
INE08XP07035	NCD	Oct-14-2022	13.05%	Apr-14-2024	27.00	[ICRA]BBB (Stable)
INE08XP07043	NCD	Nov-01-2022	11.04%	Nov-08-2023	30.00	[ICRA]BBB (Stable)
INE08XP07076	NCD	Dec-26-2022	12.55%	Mar-26-2024	69.00	[ICRA]BBB (Stable)
INE08XP07050	NCD	Dec-28-2022	11.75%	Jun-28-2024	30.00	[ICRA]BBB (Stable)
INE08XP07084	NCD	Jan-25-2023	11.04%	Dec-31-2024	18.00	[ICRA]BBB (Stable)
Yet to be placed	NCD	NA	NA	NA	136.00	[ICRA]BBB (Stable)
Yet to be placed	Commercial paper	NA	NA	NA	80.00	[ICRA]A3+
Yet to be placed	MLD	NA	NA	NA	30.00	PP-MLD [ICRA]BBB (Stable)

Source: Company, ICRA Research; ^ Yet to be placed/untilized

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 Approach
Akara Capital Advisors Private Limited	Rated entity	Full consolidation
EQX Analytics Private Limited	Group company with same parent	Full consolidation

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Manushree Saggar
+91 124 4545 316
manushrees@icraindia.com

Balram Yadav
+91 22 6114 3419
balram.yadav@icraindia.com

Rajat Kher
+91 124 4545 833
rajat.kher@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches