Namdev Finvest Private Limited

September 25, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	850.00	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	250.00	CARE BBB+; Stable	Assigned
Non-convertible debentures	29.00 (Reduced from 100.00)	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	45.00	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	40.00	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	20.00	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	25.00	CARE BBB+; Stable	Reaffirmed
Non-convertible debentures	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings factors in Namdev Finvest Private Limited (NFPL's) demonstrated ability to raise equity capital at regular intervals including recent equity infusion of ₹25 crore in FY25, leading to improved capitalisation structure. Ratings continue to factor in the company's experienced promoters and continued business uptick, whereby NFPL's asset under management (AUM) grew by 20% to ₹1,420 crore as on March 31, 2025, from 1,185 crore as on March 31, 2024.

However, these rating strengths are partially offset by moderation in asset quality stemming from NFPL's exposure to a relatively vulnerable borrower segment, high product and geographical concentration and its moderately seasoned book.

CARE Ratings Limited (CareEdge Ratings) notes rise in the company's credit costs, which is in line with the moderation in asset quality for the industry. Going forward, while credit costs are expected to inch up in the near term, the company's ability to maintain capital and liquidity buffers shall continue to be key monitorable.

CareEdge Ratings has withdrawn the rating assigned to the non-convertible debenture (NCD) issue of NFPL, with immediate effect, as the company has repaid the aforementioned NCD issue in full and there is no outstanding under the facility as on date.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Profitable scale-up in business growth with comfortable asset quality and return on total assets (ROTA) above 3.00% on a sustained basis.
- Consistently attracting capital from diversified sources at competitive rates.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Deteriorating asset quality with net non-performing asset (NNPA) exceeding 2.0% levels on a sustained basis.
- Weakening of capital structure with gearing remaining above 4.5x on a sustained basis.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

- ROTA remaining below 1.5% on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The Stable outlook reflects expectations of continued profitable growth, supported by NFPL's fund-raising ability and comfortable capital structure.

Detailed description of key rating drivers:

Key strengths

Experienced promoters and management

NFPL is promoted by Jitendra Tanwar and his family, collectively holding 44.39% stake in the company. With more than 20 years of experience in the financial sector, Jitendra Tanwar leads the company's strategy, corporate planning, and risk management. Latika Tanwar oversees environment, social and governance (ESG) initiatives, corporate social responsibility (CSR) activities, marketing, human resources and administrative functions. The company benefits from the guidance of a professional management team and the oversight of an experienced board comprising one nominee and two independent directors.

Adequate capital structure

In last few years, NFPL has demonstrated ability to attract funds at regular intervals including the last equity infusion of ₹25 crore in FY25 by the promoter and existing stakeholder LC Nueva, Silverstone Capital Advisors Pvt. Ltd., and Yukti Securities Pvt. Ltd. The company has capitalisation with a tangible net-worth (TNW) base of ₹440 crore as on March 31, 2025, against ₹386 crore as on March 31, 2024, owing to both internal accruals and equity infusions at regular intervals. Overall capital adequacy ratio (CAR) and Tier-I CAR as on March 31, 2025, stood at 30.19% and 28.93%, respectively (March 31, 2024: 34.22% and 32.02%) While CareEdge Ratings notes moderation in company's overall gearing levels to of 3.22x as on March 31, 2025 [PY: 2.97x] , gearing levels are expected to remain below threshold of 4.5x.

As on March 31, 2025, NFPL's borrowing mix was adequately diversified, with liabilities raised in the form of term loans from banks (28.1% of total borrowings), term loans from non-banking finance companies (NBFCs: 29.5% share), NCDs (30.5% share), external commercial borrowings (ECB: 10.4% share), subordinate debt and securitisation (1.4% and 0.1% of total borrowings). Top 10 borrowings accounted for 53% of the total borrowings profile as on March 31, 2025.

Improvement in business volumes and profitability metrics

NFPL's disbursements grew at a compounded annual growth rate (CAGR) of 44% over the FY21-FY25 period with growth moderating in FY25 due to conscious credit curtailment considering rising stress in few cohorts. Consequently, the company's AUM increased from ₹241 crore as on March 31, 2021, to ₹1,420 crore as on March 31, 2025.

While lending spreads remained range bound in FY25 at ~10.25%, net interest margin (NIM) improved from 7.29% in FY24 to 8.96% in FY25 considering increase in interest income from investments. Over the last few quarters the company has been maintaining cash and cash equivalents of ₹250 - ₹300 crore equivalent to three months of debt repayments which are parked in bank deposits. Operating expenses remained high in FY25 at 5.19% [PY: 5.14%] and increased further to 5.30% in Q1FY26, as the company opened 15 new branches in FY25, onboarded 150 new employees (including few HODs) and continued with branch expansions for deeper penetration within existing geographies. The company witnessed increase in credit costs to 0.99% in FY25 from 0.57% in FY24, owing to increased slippages and portfolio seasoning. Despite moderation in credit costs, improved NIM aided the company to report an improvement in ROTA to 2.33% in FY25 as against 1.73% in FY24.

With the company's continued thrust on growth, CareEdge Ratings expects the ROTA to remain in the range of 2.5% to 3.0% in the near to medium term.

Key weaknesses

High product and geographical concentration

NFPL's loan portfolio is concentrated with MSME financing dominating the mix at ~90% as on June 30, 2025 (March 31, 2025: 88.6% and March 31, 2024: 88.6%), followed by two-wheeler – 2.7% (March 31, 2025: 3.0% and March 31, 2024: 4.4%), Electric Vehicle – 2.6% (March 31, 2025: 2.8% and March 31, 2024: 3.8%), wholesale lending – 2.6% (March 31, 2025: 3.4% and March 31, 2024: 5.3%), LCV/HCV/MUV – 1.7% (March 31, 2025: 1.8% and March 31, 2024: 2.1%) and solar – 0.4% (March 31, 2025: 0.5% and March 31, 2024: 0.3%). Within MSME financing segment, the company has average ticket size ranging between ₹7 lakh - ₹10 lakh with loan-to-value (LTV) of 55%. Given the unseasoned nature of portfolio and customer segment, the company's portfolio is exposed to credit risks emanating from vulnerable borrower profile with seasonal nature of cashflows.

NFPL has geographically diversified its operations in nine different states across the country. Despite some diversification, there is still high degree of geographical concentration of its operations, with around 82.9% of the business, in the states of Rajasthan and Gujarat, exposing the company to higher credit risks.

While CareEdge Ratings notes NFPL's rising disbursements and diversification efforts in the recent quarters, the company's ability to sustain asset quality amid scale-up will remain a key monitorable.

Moderate asset quality metrics driven by limited portfolio seasoning and exposure to riskier borrower segment

NFPL's AUM has more than doubled over the last two years from ₹628 crore as on March 31, 2023, to ₹1,420 crore as on March 31, 2025. Considering the average tenor of three to four years for MSME portfolio, portfolio's asset quality is yet to be established. The company's asset quality is exposed to risks arising from exposure to customers like farmers, dairy farmers, kirana store owners and small business owners, who have greater vulnerability to economic shocks due to dependence on seasonal factors.

CareEdge Ratings notes rising delinquencies in the segment, driven by borrower vulnerability due to overleveraging and portfolio seasoning amid rapid industry growth. NFPL has been facing asset quality challenges in certain cohorts of higher-ticket MSME loans. Consequently, as on March 31, 2025, company's gross NPAs (GNPAs) and NNPAs stood at 1.81% and 0.80%, respectively (PY: 1.07% and 0.48%), and increased further to 2.14% and 0.90%, respectively, as on June 30, 2025. NFPL's NNPA/TNW stood at 2.54% as on March 31, 2025 (P.Y. 2.61%) and increased further to 3.89% as on June 30, 2025.

With a majority of NFPL's portfolio being secured in nature through property mortgages (SORP/SOCP), the company benefits from reduced loss risk in case of delinquencies compared to unsecured lending.

Going forward, given the unseasoned nature of MSME portfolio, the company's ability to maintain asset quality and control credit costs remains a key monitorable.

Liquidity: Adequate

As on June 30, 2025, the company had adequate liquidity with no cumulative mismatches across all time buckets. CareEdge Ratings takes note of NFPL's liquidity policy, which ensures that the company maintains sufficient cash reserves to cover at least three months of operating expenses and debt obligations, and one month of projected disbursements. NFPL reported cash and cash equivalent (unencumbered) of ₹326.03 crore as on June 30, 2025, and receivable from loan book (including interest) of

₹960.29 crore against the debt repayment obligation (including interest) of ₹750.92 crore for the next one year. The company also had unutilised bank lines of ₹12.50 crore as on June 30, 2025, as an additional cushion to the liquidity.

The company's ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Definition of Default
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Withdrawal Policy
Non Banking Financial Companies

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial Services	Financial Services	Finance	Non Banking Financial Company (NBFC)

Established in 1997, NFPL is a Reserve Bank of India (RBI) registered, non-deposit taking NBFC and is headquartered in Jaipur, Rajasthan. The company is engaged in secured MSME, TW, CV, EV, and solar loan. The company caters to customers from rural and semi-urban locations. NFPL is headquartered in Jaipur with branch network in nine states with AUM of ₹1,420 crore as on March 31, 2025.

Brief Financials (₹ crore)	31-03-2024 (A)	31-03-2025 (A)	30-06-2025 (UA)
Total income	206.97	331.38	90.39
PAT	20.80	40.58	13.02
Interest coverage (times)	1.26	1.36	1.42
Total assets*	1,566.72	1,910.17	1,832.42
Net NPA (%)	0.48	0.80	0.90
ROTA (%)	1.73	2.33	2.78

A: Audited UA: Unaudited; Note: these are latest available financial results. *Net of deferred tax assets and intangible assets

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities:

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non-convertible debentures	INE0IX207015	18-Aug-2021	12%	30-Sep-2024	0.00	Withdrawn
Debentures-Non-convertible debentures	INE0IX207023	15-Jan-2022	13%	31-Jan-2025	0.00	Withdrawn
Debentures-Non-convertible debentures	INE0IX207031	31-Dec-2021	14%	30-Jun-2025	0.00	Withdrawn
Debentures-Non-convertible D debentures	INE0IX207049	14-Apr-2022	12.00%	13-Apr-2028	46.68	CARE BBB+; Stable
Debentures-non-convertible debentures	INE0IX207064	29-Mar-2022	13%	07-Mar-2025	0.00	Withdrawn
Debentures-non-convertible debentures	INE0IX207072	14-Jul-2022	11%	14-Jul-2026	23.10	CARE BBB+; Stable
Debentures-non-convertible debentures	INE0IX207098	10-Sep-2022	10.82%	10-Sep-2028	58.50	CARE BBB+; Stable
Debentures-non-convertible debentures	INE0IX207106	28-Sep-2022	14%	31-Jul-2025	0.00	Withdrawn
Debentures-non-convertible debentures	INE0IX207114	30-May-2023	13%	29-May-2026	25.00	CARE BBB+; Stable
Debentures-non-convertible debentures-Proposed	-	-	-	-	5.72	CARE BBB+; Stable
Debentures-non-convertible debentures-Proposed	-	-	-	-	250.00	CARE BBB+; Stable
Fund-based - LT-Cash Credit		-	-	-	30.00	CARE BBB+; Stable

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	2032	820.00	CARE BBB+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	30.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22) 3)CARE BBB; Stable (08-Sep-22) 4)CARE BBB; Stable (22-Apr-22)
2	Fund-based - LT-Term Loan	LT	820.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22) 3)CARE BBB; Stable

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
								(08-Sep-22) 4)CARE BBB; Stable (22-Apr-22)
3	Debentures-non-convertible debentures	LT	-	-	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22) 3)CARE BBB; Stable (08-Sep-22) 4)CARE BBB; Stable (22-Apr-22)
4	Debentures-non-convertible debentures	LT	29.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22) 3)CARE BBB; Stable (08-Sep-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
								4)CARE BBB; Stable (22-Apr-22)
5	Debentures-non-convertible debentures	LT	45.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22) 3)CARE BBB; Stable (08-Sep-22) 4)CARE BBB; Stable (22-Apr-22)
6	Debentures-non-convertible debentures	LT	40.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	1)CARE BBB; Stable (22-Sep-22) 2)CARE BBB; Stable (15-Sep-22)
7	Debentures-non-convertible debentures	LT	20.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24)	1)CARE BBB; Stable (22-Sep-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
							2)CARE BBB; Stable (30-May-23)	
8	Debentures-non-convertible debentures	LT	25.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)	-
9	Debentures-non-convertible debentures	LT	250.00	CARE BBB+; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-non-convertible debentures	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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