Namdev Finvest Limited
August 13, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	850.00	CARE A-; Stable	Upgraded from CARE BBB+; Stable
Non-convertible debentures	MCA	-	-	Withdrawn
Non-convertible debentures	MCA	122.32 (Reduced from 140.00)	CARE A-; Stable	Upgraded from CARE BBB+; Stable
Non-convertible debentures	SEBI	215.00	CARE A-; Stable	Upgraded from CARE BBB+; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers
Revision in long-term ratings assigned to Namdev Finvest Limited's (NFL's; formerly known as Namdev Finvest Private Limited) bank facilities and debt instruments factors in continued business uptick, where NFL's asset under management (AUM) grew by 23% to ₹1,748 crore as on March 31, 2026 from ₹1,417 crore as on March 31, 2025. It also considers improving profitability, adequate liquidity levels, and experienced management. Ratings continue to factor in NFL's demonstrated ability to raise equity capital at regular intervals (including latest equity infusion of ₹20 crore in FY26), resulting in a comfortable capitalisation profile with a net gearing[3] of 2.39x as on March 31, 2026 (2.36x as on March 31, 2025).

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

CARE Ratings Limited (CareEdge Ratings) has withdrawn the rating assigned to the non-convertible debentures (NCDs) bearing ISIN INE0IX207114 and ISIN INE0IX207049, with immediate effect, as the company has repaid the aforementioned NCD issues in full and there is no outstanding under the facilities 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:

- Healthy scale-up in business growth with comfortable asset quality and profitability on a sustained basis.
- Consistently attracting capital from diversified sources at competitive rates.

Negative factors

- 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.
- Return on total assets (ROTA) remaining below 2.0% on a sustained basis.

Analytical approach:
Standalone

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

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority
[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.
[3] Debt adjusted for unencumbered cash and cash equivalents/Net worth

Detailed description of key rating drivers

Key strengths

Improvement in business volumes and profitability metrics
NFL's disbursements grew at a compound annual growth rate (CAGR) of 43% over FY22-FY26, increasing the company's AUM from ₹1,417 crore as on March 31, 2025, to ₹1,748 crore as on March 31, 2026. The profitability (ROTA) of the company improved marginally to 2.50% in FY26 against 2.33% in FY25, supported by controlled operating expenses (5.02% in FY26 and 5.19% in FY25) and credit costs (0.91% in FY26 and 0.99% in FY25). Nonetheless, Net Interest Margin (NIM) remains moderate at 8.85% in FY26 and 8.96% in FY25 considering high on-balance sheet liquidity maintained at 24% of average total assets as of March 2026 (23% as of March 2025).

CareEdge Ratings expects improving profitability metrics considering operating leverage, given the company's continued thrust on growth. However, NFL's ability to keep the credit costs under control will remain a key monitorable.

Experienced promoters and management
NFL is promoted by Jitendra Tanwar and his family, collectively holding 46.41% stake in the company as on June 30, 2026. Jitendra Tanwar, with over 20 years of experience in the financial sector, 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 Independent and Nominee Directors.

Comfortable capital structure
Over the past few years, NFL has demonstrated ability to attract funds at regular intervals including the last equity infusion of ₹20 crore in FY26 by the promoters and existing stakeholders. The company has comfortable capitalisation with a tangible net worth (TNW) base of ₹534 crore as on March 31, 2026, against ₹440 crore as on March 31, 2025, owing to both internal accruals and equity infusions at regular intervals. Overall capital adequacy ratio (CAR) and Tier-I CAR as on March 31, 2026, stood at 29.39% and 28.72%, respectively (March 31, 2025: 30.19% and 28.93%), while the overall gearing increased to 3.32x as on March 31, 2026, against 3.22x as on March 31, 2025, owing to increase in borrowings from ₹1,420 crore as on March 31, 2025, to ₹1,772 crore as on March 31, 2026, due to robust portfolio growth. However, net gearing[4] remains low at 2.39x as on March 31, 2026 (2.36x as on March 31, 2025).

As on March 31, 2026, NFL's borrowing mix was adequately diversified, with liabilities raised in the form of term loans from banks (24.9% of total borrowings), term loans from non-banking financial companies (NBFCs) (27.5% share), NCDs (33.9% share), external commercial borrowings (ECB) (12.5% share), subordinate debt, and securitisation (1.1% of total borrowings). Top 10 borrowings accounted for 53% of the total borrowings profile as on March 31, 2026.

Going forward, CareEdge Ratings expects the company to continue to receive capital support from the promoters and generate adequate internal accruals to support its future growth while maintaining gearing below 4.5x.

Key weaknesses

High product and geographical concentration
NFL's loan portfolio is concentrated with MSME financing dominating the mix at ~92.6% as on March 31, 2026 (March 31, 2025: 88.6% and March 31, 2024: 84.1%), followed by two-wheeler – 2.3% (March 31, 2025: 3.0% and March 31, 2024: 4.4%), wholesale lending – 2.1% (March 31, 2025: 3.4% and March 31, 2024: 5.3%), electric vehicle – 1.5% (March 31, 2025: 2.8% and March 31, 2024: 3.8%), light commercial vehicle (LCV)/ heavy commercial vehicle (HCV)/ multi-utility vehicle (MUV) – 1.3% (March 31, 2025: 1.8% and March 31, 2024: 2.1%) and solar – 0.2% (March 31, 2025: 0.5% and March 31, 2024: 0.3%). Within MSME financing segment, the company primarily caters to customers seeking loans up to ₹10 lakh, as the company has been facing asset quality challenges in the ticket size above ₹15 lakh.

NFL has geographically diversified its operations in nine different states across the country. Despite this, there is still high degree of geographical concentration of its operations, with ~93.3% of the AUM, in the states of Rajasthan (67.6%), Gujarat (13.9%), and Madhya Pradesh (11.8%), which exposes the company to higher credit risks.

[4] Debt adjusted for unencumbered cash and cash equivalents/Tangible Net worth

While CareEdge Ratings notes NFL's rising disbursements and diversification efforts over the years, 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
NFL's AUM has grown over the last three years from ₹628 crore as on March 31, 2023, to ₹1,748 crore as on March 31, 2026, at a CAGR of 41%. Considering the average tenor of four to five years for MSME portfolio, the asset quality is yet to be established due to lack of seasoning. The company is exposed to the credit risks emanating from vulnerable borrower profile including exposures to farmers, dairy farmers, kirana store owners and small business owners, who are prone to economic shocks due to dependence on seasonal factors.

CareEdge Ratings notes rising delinquencies in the segment, especially in the higher-ticket MSME loans above ₹15 lakh, driven by borrower vulnerability due to overleveraging and portfolio seasoning. Consequently, the company's gross NPAs (GNPAs) increased sharply to 2.45% as on March 31, 2026 (1.81% as on March 31, 2025). However, net NPAs (NNPAs) have been moderate at 0.98% as on March 31, 2026 (0.80% as on March 31, 2025) due to healthy provision coverage ratio of 60.7% as on March 31, 2026 (58.7% as on March 31, 2025). As a result, NFL's NNPA/TNW remains comfortable at 3.16% as on March 31, 2026 (PY: 2.54%).

However, with a majority of NFL's portfolio being secured by self-occupied properties and loans extended at a conservative loan-to-value (LTV) of 50%, the company benefits from reduced loss risk in case of delinquencies. Further, the presence of a dedicated internal collections team provides some comfort.

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

Liquidity: Adequate

As on March 31, 2026, the company had adequate liquidity with no cumulative mismatches across all time buckets. CareEdge Ratings takes note of NFL's liquidity policy, which ensures that the company maintains sufficient cash reserves to cover at least three months of operating expenses and debt obligations, along with one month of projected disbursements. NFL has reported cash and cash equivalent (unencumbered) of ₹496.58 crore as on March 31, 2026, and receivable from loan book (including interest) of ₹845.26 crore against the debt repayment obligation (including interest) of ₹782.77 crore for the next one year on a behavioural basis. The company also had unutilised bank lines of ₹12.50 crore as on March 31, 2026, as an additional cushion to the liquidity.

The company's ratings do not factor in any rating-related trigger clauses 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, Namdev Finvest Limited (NFL; Formerly Namdev Finvest Private Limited) is a Reserve Bank of India (RBI) registered, non-deposit taking NBFC and is headquartered in Jaipur, Rajasthan. The business was started as a vehicle financier in 2013 and is currently engaged in secured MSME, TW, CV, EV, and solar loan. The company caters to customers in rural and semi-urban locations with 131 branches spread across nine states having an AUM of ₹1,748 crore as on March 31, 2026.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	206.97	331.18	384.74
Profit after tax (PAT)	20.78	40.58	53.39
Assets under management (AUM)	1,185.07	1,417.15	1,747.60
On-book gearing	2.97	3.22	3.32
AUM / tangible net worth (TNW) (x)	3.07	3.22	3.27
Gross non-performing assets (NPA) / gross stage 3 (%)	1.07	1.81	2.45
Return on managed assets (ROMA) (%)	1.71	2.31	2.48
Capital adequacy ratio (CAR) (%)	34.22	30.19	29.39

A: Audited; Note: these are latest available financial results

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	MCA	Simple	INE0IX207049	14-Apr-2022	12%	13-Apr-2028	0.00	Withdrawn
Debentures-Non-Convertible Debentures	MCA	Simple	INE0IX207114	30-May-2023	13%	29-May-2026	0.00	Withdrawn
Debentures-Non-Convertible Debentures	MCA	Simple	INE0IX207072	14-Jul-2022	11%	14-Jul-2026*	23.10	CARE A-; Stable
Debentures-Non-Convertible Debentures	MCA	Simple	INE0IX207098	10-Sep-2022	10.82%	10-Sep-2028	58.50	CARE A-; Stable
Debentures-Non-Convertible Debentures	SEBI	Simple	INE0IX207254	19-Nov-2025	11.30%	29-Sep-2028	35.00	CARE A-; Stable
Debentures-Non-Convertible Debentures	SEBI	Simple	INE0IX207262	11-Dec-2025	11.557%	11-Dec-2030	180.00	CARE A-; Stable
Debentures-Non-Convertible Debentures	SEBI	Simple	Proposed	-	-	-	40.72	CARE A-; Stable
Fund-based - LT-Cash Credit	RBI	Simple	-		-	-	30.00	CARE A-; Stable
Fund-based - LT-Term Loan	RBI	Simple	-		-	30-06-2031	820.00	CARE A-; Stable

*Repayment of said ISIN has already been done. However, NDC is yet to be received. Hence, rating is not withdrawn.

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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	30.00	CARE A-; Stable	-	1)CARE BBB+; Stable (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
2	Fund-based - LT-Term Loan	LT	820.00	CARE A-; Stable	-	1)CARE BBB+; Stable (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
3	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
4	Debentures-Non-convertible debentures	LT	-	-	-	1)CARE BBB+; Stable (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
5	Debentures-Non-convertible debentures	LT	27.32	CARE A-; Stable	-	1)CARE BBB+; Stable	1)CARE BBB+; Stable	1)CARE BBB; Positive

						(25-Sep-25)	(26-Sep-24)	(05-Jan-24) 2)CARE BBB; Stable (30-May-23)
6	Debentures-Non-convertible debentures	LT	40.00	CARE A-; Stable	-	1)CARE BBB+; Stable (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
7	Debentures-Non-convertible debentures	LT	20.00	CARE A-; Stable	-	1)CARE BBB+; Stable (25-Sep-25)	1)CARE BBB+; Stable (26-Sep-24)	1)CARE BBB; Positive (05-Jan-24) 2)CARE BBB; Stable (30-May-23)
8	Debentures-Non-convertible debentures	LT	-	-	-	1)CARE BBB+; Stable (25-Sep-25)	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 A-; Stable	-	1)CARE BBB+; Stable (25-Sep-25)	-	-

LT: Long term

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

Annexure-4: 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.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in	Sudam Shrikrushna Shingade Director **CARE Ratings Limited** Phone: +91 22 6754 3453 E-mail: sudam.shingade@careedge.in Shaik Abdul Saleem Associate Director **CARE Ratings Limited** Phone: +91-22 6754 3447 E-mail: Shaik.saleem@careedge.in Amy Thomas Lead Analyst **CARE Ratings Limited** E-mail: Amy.thomas@careedge.in

About us:
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