



Press Release
MANBA FINANCE LIMITED
November 14, 2025
Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	285.00	ACUITE A- Stable Reaffirmed	-
Non Convertible Debentures (NCD)	20.00	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	285.00	-	-
Total Withdrawn Quantum (Rs. Cr)	20.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE A-**' (read as **ACUITE A minus**) to the Rs 285.00 Cr. bank facilities of Manba Finance Limited. The outlook is '**Stable**'.

Acuite has withdrawn the long-term rating on the Rs. 15 Cr. Non-Convertible Debentures facility of Manba Finance Limited (MFL) without assigning any rating as the instrument is fully redeemed. The withdrawal is on account of request received from client.

Acuite has withdrawn the long-term rating on the Rs. 5.00 Cr. Proposed Non-Convertible Debentures facilities of Manba Finance Limited (MFL) without assigning any rating as it is proposed facility. The withdrawal is on account of request received from client.

The withdrawal is as per Acuite's policy on withdrawal of ratings as applicable to the respective facility/instrument.

Rationale for the rating:

The rating reaffirmation factors in the company's continued improvement in profitability metrics, enhanced scale of operations, and moderate yet improving asset quality. The company reported a PAT of Rs.37.80 Cr. in FY2025 as against Rs.31.18 Cr. in FY2024, supported by a healthy rise in Net Interest Income to Rs.141.16 Cr. (Rs.96.06 Cr. in FY2024). This improvement is reflected in profitability ratios, with ROAA at 3.10% in FY2025 compared to 3.54% in FY2024, and NIM remaining strong at 13.00% (13.84% in FY2024). The company's capital structure strengthened post listing on BSE and NSE in September 2024, with net worth increasing to Rs.368.90 Cr. in FY2025 from Rs.200.61 Cr. in FY2024, and gearing improving to 2.91 times in FY25 from 3.75 times in FY24. The scale of operations expanded significantly, AUM of Rs.1,331.40 Cr. as on March 31, 2025 (Rs.936.90 Cr. as on March 31, 2024). Asset quality remains moderate but improving, marked by GNPA of 3.23% in FY2025 against 3.37% in FY2024. The rating continues to factor in the company's experienced management, operational track record, and comfortable capitalization levels at 29.81% in FY2025 (24.56% in FY2024). Going forward, the company's ability to raise capital, maintain capitalization and liquidity buffers, improve portfolio quality while containing delinquencies, and sustain profitability will remain key monitorables.

About the company

Incorporated in 1996, Mumbai based Manba Finance Limited (MFL) is a RBI registered Non Deposit taking Non-Banking Finance Company (ND-NBFC), founded by Mr. Manish K Shah.

The company is engaged in Two-Wheeler Financing, Used Two-Wheeler Financing and Used Car Financing. The company has also forayed into Personal Loans and Inventory Funding for 2-wheeler dealers. MFL has presence in 6 states namely Maharashtra, Gujarat, Chhattisgarh, Rajasthan, Madhya Pradesh & Uttar Pradesh with a network of 76 Branches as on June 30, 2025.

Unsupported Rating

Not Applicable.

Analytical Approach

Acuité has considered the standalone financial and business risk profile of MFL to arrive at the rating.

Key Rating Drivers

Strength

Experienced Promoter and Established Presence in Two-Wheeler Financing

MFL has an established presence of over two decades in two-wheeler financing. The company was founded and promoted by Mr. Manish Shah, who possesses extensive experience in this domain. The entire shareholding is held by the promoter and promoter group entities. Starting operations in Mumbai, MFL has expanded across Maharashtra, Gujarat, Rajasthan, Chhattisgarh, and Madhya Pradesh, operating through a network of 76 branches as on June 30, 2025, and maintaining relationships with over 1000 dealers. The company's AUM grew from Rs.936.9 Cr. as on March 31, 2024, to Rs.1,331.4 Cr. as on March 31, 2025, reflecting a 42% growth in scale. Acuité believes that MFL's business profile will continue to benefit from its established presence and promoter experience.

Improving Earning Profile

The company reported a PAT of Rs.37.80 Cr. in FY2025 as against Rs.31.18 Cr. in FY2024, supported by an increase in Net Interest Income to Rs.141.16 Cr. (Rs.96.06 Cr. in FY2024). While ROAA moderated to 3.10% in FY2025 from 3.54% in FY2024 due to higher asset base, profitability remains strong. NIM stood at 13.00% in FY2025 compared to 13.84% in FY2024, indicating sustained margins despite growth in operations.

The company's ability to sustain profitability while managing asset quality will remain a key monitorable.

Weakness

Moderate Asset Quality

The company's asset quality remains moderate despite some improvement. Gross NPA declined to 3.23% in FY2025 from 3.37% in FY2024, while Net NPA improved to 2.45% from 2.70% during the same period. Provision Coverage Ratio (PCR) increased marginally to 24% in FY2025 (20% in FY2024), indicating better provisioning buffers. However, delinquencies in softer buckets remain elevated, with 30–90 DPD rising to Rs.56.83 Cr. (4.86%) in FY2025 from Rs.30.78 Cr. (3.85%) in FY2024, reflecting stress in early-stage collections. The 90+ DPD portfolio also increased in absolute terms to Rs.42.96 Cr. in FY2025 from Rs.31.56 Cr. in FY2024, though the percentage improved slightly due to portfolio growth.

Any further slippages could necessitate higher provisioning, impacting profitability. While collections have improved since FY23 aided by repossession and recovery efforts, uncertainty persists given the borrower profile and regional concentration.

Acuité believes the company's ability to contain incremental delinquencies and maintain collection efficiency will remain a key monitorable.

Geographic Concentration Risk

The company's operations remain concentrated in Maharashtra, which accounts for a significant share of its AUM. While expansion into Gujarat, Rajasthan, Chhattisgarh, Uttar Pradesh and Madhya Pradesh has improved diversification, regional concentration exposes the company to localized economic and political risks. Any adverse developments in these key markets could impact asset quality and growth prospects.

Acuité believes that improving geographic diversification will be critical for mitigating concentration risk.

ESG Factors Relevant for Rating

MFL belongs to the NBFC sector which continues to complement the efforts of banks in enhancing small ticket retail lending in India. Some of the material governance issues for the financial services sector are policies and practices with regard to business ethics, board diversity and independence, compensation structure for board and KMPs, role of the audit committee and shareholders' rights. On the social aspect, some of the critical issues for the sector are the contributions to financial inclusion and community development, responsible financing including environmentally friendly projects and policies around data privacy. The industry, by nature has a low exposure to environmental risks. The entity has made adequate disclosures regarding its policies on related party transactions, vigil mechanism and whistle blowing. The board of directors consist of 2 independent directors out of a total of 6 directors. Audit Committee consists of 3 directors with majority of them being Independent Directors. MFL does have one woman director on its board. In accordance with the guidelines issued by RBI, the entity has reinforced a Risk Management and mitigation mechanism that is responsible for identification, evaluation and mitigation of operational and strategic risks. MFL aims to enable people to fulfil their ambition of owning their own vehicle. MFL have made a mark by being completely ethical and transparent in all dealings and ensuring that customers are satisfied by services at all times. MFL supports community development through CSR projects mainly aimed at promotion of education, eradication of hunger, environmental sustainability, gender equality and rural development projects among other causes.

Rating Sensitivity

- Movement in Asset quality and collection efficiency
- Movement in profitability metrics
- Diversification in geographical profile

Liquidity Position

Adequate

MFL's overall liquidity profile remains adequate with no negative cumulative mis-matches in near to medium term as per ALM dated March 31, 2025. The company has cash and cash equivalents of Rs. 128.47 Cr. as on March 31, 2025.

Outlook - Stable

Other Factors affecting Rating

None.

Key Financials - Standalone / Originator

Particulars	Unit	FY25 (Actual)	FY24 (Actual)
Total Assets	Rs. Cr.	1463.91	973.05
Total Income*	Rs. Cr.	142.60	109.76
PAT	Rs. Cr.	37.80	31.18
Net Worth	Rs. Cr.	368.90	200.61
Return on Average			

Assets (RoAA)	(%)	3.10	3.54
Return on Average Net Worth (RoNW)	(%)	13.28	16.97
Debt/Equity	Times	2.91	3.75
Gross NPA	(%)	3.23	3.37
Net NPA	(%)	2.45	2.70

**Total income equals to Net Interest Income plus other income*

Status of non-cooperation with previous CRA (if applicable):

Not Applicable

Any other information

None.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Nov 2024	Term Loan	Long Term	15.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	26.50	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	33.38	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	2.50	ACUITE A- Stable (Reaffirmed)
	Secured Overdraft	Long Term	0.50	ACUITE A- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	45.55	ACUITE A- Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.60	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	17.18	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	2.56	ACUITE A- Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	12.19	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	17.58	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	28.71	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	14.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	12.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	12.25	ACUITE A- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	74.18	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	3.82	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	9.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE A- Stable (Reaffirmed)
	Secured Overdraft	Long Term	0.50	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
		Long		

23 Jan 2024	Cash Credit	Term	26.50	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	6.67	ACUITE A- Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	20.00	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	6.02	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	28.28	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	8.40	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	25.91	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	44.72	ACUITE A- Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE A- Stable (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE A (CE) Stable (Reaffirmed)
23 Jan 2023	Term Loan	Long Term	6.67	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	26.50	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- Negative (Reaffirmed)
	Secured Overdraft	Long Term	0.50	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	9.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.82	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE A- Negative (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	74.18	ACUITE A- Negative (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	44.72	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	25.91	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	8.40	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	28.28	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	6.02	ACUITE A- Negative (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	20.00	ACUITE A- Negative (Assigned)
	Term Loan	Long Term	20.00	ACUITE A (CE) Negative (Reaffirmed)

29 Mar 2022	Term Loan	Long Term	17.89	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	26.50	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- Negative (Reaffirmed)
	Secured Overdraft	Long Term	0.50	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.75	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	22.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.14	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.74	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.25	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.66	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	6.04	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.25	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	8.13	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	5.83	ACUITE A- Negative (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	111.32	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	20.00	ACUITE A (CE) Stable (Assigned)
07 Jan	Proposed Long Term Bank Facility	Long Term	111.32	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	5.83	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	8.13	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.25	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	6.04	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	0.66	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.25	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	2.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	1.74	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long	15.14	ACUITE A- Negative

2022	Term Loan	Long Term	22.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	15.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	3.75	ACUITE A- Negative (Reaffirmed)
	Secured Overdraft	Long Term	0.50	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	26.50	ACUITE A- Negative (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A- Negative (Reaffirmed)
	Term Loan	Long Term	17.89	ACUITE A- Negative (Reaffirmed)
	Proposed Long Term Loan	Long Term	20.00	ACUITE Provisional A (CE) Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
A U Small Finance Bank	Not avl. / Not appl.	Cash Credit	04 Oct 2022	Not avl. / Not appl.	Not avl. / Not appl.	2.50	Simple	ACUITE A- Stable Reaffirmed
Bank Of Baroda	Not avl. / Not appl.	Cash Credit	03 Nov 2022	Not avl. / Not appl.	Not avl. / Not appl.	26.50	Simple	ACUITE A- Stable Reaffirmed
INDIAN OVERSEAS BANK	Not avl. / Not appl.	Cash Credit	06 Sep 2022	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A- Stable Reaffirmed
Not Applicable	INE939X07069	Non-Convertible Debentures (NCD)	23 Jan 2023	13.10	31 Jul 2025	15.00	Simple	Not Applicable Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	110.06	Simple	ACUITE A- Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	Not Applicable Withdrawn
IDFC First Bank Limited	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE A- Stable Reaffirmed
IDFC First Bank Limited	Not avl. / Not appl.	Secured Overdraft	31 Dec 2019	Not avl. / Not appl.	Not avl. / Not appl.	0.50	Simple	ACUITE A- Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	25 Nov 2021	Not avl. / Not appl.	25 Mar 2026	33.38	Simple	ACUITE A- Stable Reaffirmed
UTKARSH SMALL FINANCE BANK LIMITED	Not avl. / Not appl.	Term Loan	22 Mar 2022	Not avl. / Not appl.	22 Sep 2024	3.60	Simple	ACUITE A- Stable Reaffirmed
Jana Small Finance Bank Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Apr 2026	28.71	Simple	ACUITE A- Stable Reaffirmed
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	05 Dec 2025	20.00	Simple	ACUITE A- Stable Reaffirmed
SBM Bank (India) Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	02 Aug 2025	14.00	Simple	ACUITE A- Stable Reaffirmed

SBM Bank (India) Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 May 2026	12.00	Simple	ACUITE A- Stable Reaffirmed
UTKARSH SMALL FINANCE BANK LIMITED	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	21 Sep 2025	12.25	Simple	ACUITE A- Stable Reaffirmed

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About Acuité Ratings & Research

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