

Press Release

Moneyboxx Finance Limited - Northern Arc 2021 UBL Tig

March 10, 2023

Rating Withdrawn



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Pass Through Certificates (PTCs)	8.38	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	8.38	-	-

Rating Rationale

Acuite has withdrawn the rating on the Pass Through Certificates (PTCs) of Rs. 8.38 Cr. issued by Northern Arc 2021 UBL Tigray under a securitisation transaction originated by Moneyboxx Finance Limited (MFL) (The Originator). The PTCs are backed by a pool of unsecured business loans with principal outstanding of Rs. 9.86 Cr (including Rs. 1.48 Cr of over collateralisation).

The transaction has been paid in full. It has also been redeemed and all the contractual obligations and pay-outs to the investors have been duly completed. Hence, the rating is being withdrawn. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating and pursuant to a request received from the company in this regard.

About the Originator

MoneyBoxx Finance Limited (MFL) is a BSE Listed NBFC providing small ticket loans to micro and small enterprises. It commenced its operations in February 2019 and is promoted by Mr Deepak Aggarwal and Mr Mayur Modi. As on August 31, 2022, it operates in 5 states, i.e., Rajasthan, Haryana, Madhya Pradesh, Punjab and Uttar Pradesh through its branch network of 39 branches. The company is registered with RBI as Non-systematically Important NBFC engaged in lending and allied activities. The entity focuses on small ticket unsecured business loans to individual borrowers and has also started extending secured business loans since Q1FY23. As on June 30, 2022, MFL has 393 employees and 12,975 active borrowers with cumulative disbursements of Rs. ~270 Cr. till August, 2022.

Assessment of the Pool

Not applicable

Credit Enhancements (CE)

Not applicable

Transaction Structure

Not applicable

Assessment of Adequacy of Credit Enhancement

Not applicable

Legal Assessment

Not applicable

Key Risks**Counter Party Risks**

Not applicable

Concentration Risks

Not applicable

Servicing Risks

Not applicable

Regulatory Risks

Not applicable

Prepayment Risks

Not applicable

Commingling Risk

Not applicable

Rating Sensitivity

Not applicable

Material Covenants

Not applicable

Liquidity Position

Not applicable

Outlook: Not Applicable**Key Financials - Originator**

Particulars	Unit	FY22 (Actual)	FY21 (Actual)
Total Assets	Rs. Cr.	136.98	72.19
Total Income*	Rs. Cr.	12.43	7.36
PAT	Rs. Cr.	-3.72	-2.97
Net Worth	Rs. Cr.	34.51	24.15
Return on Average Assets (RoAA)	(%)	-3.56	-5.07
Return on Average Net Worth (RoNW)	(%)	-12.68	-11.60
Debt/Equity	Times	2.87	1.86
Gross NPA	(%)	0.62	0.22
Net NPA	(%)	0.31	0.11

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

Status of Non Cooperation with Other CRA

None

Any Other Information

None

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Securitized Transactions: <https://www.acuite.in/view-rating-criteria-48.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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
11 Mar 2022	Pass Through Certificates	Long Term	8.38	ACUITE BBB- (SO) (Assigned)
10 Jan 2022	Pass Through Certificates	Long Term	8.38	ACUITE Provisional BBB- (SO) (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Pass Through Certificate	31 Dec 2021	13.50	17 Apr 2023	Highly Complex	8.38	Not Applicable Withdrawn

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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