Press Release
AMRIT MALWA CAPITAL LIMITED
November 28, 2025
Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	7.00	Not Applicable | Withdrawn	-
Non Convertible Debentures (NCD)	25.00	PP-MLD | ACUITE BBB | Stable | Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	25.00	-	-
Total Withdrawn Quantum (Rs. Cr)	7.00	-	-

Rating Rationale

Acuité has reaffirmed long-term rating of **'ACUITE PP-MLD BBB' (read as Principal Protected Market Linked Debentures ACUITE triple B)** on the Rs. 25.00 Cr. Principal Protected Market Linked Debentures facilities of Amrit Malwa Capital Limited (AMCL). The outlook is **'Stable'**.

Acuité has also withdrawn the long-term rating on the Rs. 7.00 Cr. partially credit enhanced term loan facilities of Amrit Malwa Capital Limited (AMCL) without assigning any rating as the instrument is fully repaid. The withdrawal is on account of No Dues Certificate (NDC) received from the bank and is in accordance with Acuite's policy on withdrawal of ratings as applicable to the respective facility / instrument.

Rationale for the rating

The rating reaffirmed reflects the experienced management team with diversified experience and healthy growth in AUM and disbursements. The AUM increased to Rs. 704.95 Cr. as on March 31, 2025 from Rs. 554.96 Cr. as on March 31, 2024; Rs. 714.71 Cr. as on H1FY2026. This is aided by improving disbursement momentum to Rs. 467.53 Cr. during FY2025 from Rs. 374.49 Cr. during FY2024; Rs. 207.22 Cr. during H1FY2026. AMCL's networth stood at Rs. 111.50 Cr. as on March 31, 2025 and capitalisation levels stood at 23.66 percent as on March 31, 2025 aided by regular capital infusions from promoters. The rating however, is constrained by moderate scale of operations and high geographical concentration. Going forward, AMCL's ability to improve earnings profile, strengthen its capitalization levels while growing portfolio would be key monitorable.

About the company

Amrit Malwa Capital Limited is a non-deposit taking NBFC based out of Jalandhar, Punjab. The company focuses on financing two wheelers and E-rickshaws and operates in rural and semi-urban Punjab and six other northern states and one UT namely Rajasthan, Chandigarh, Himachal Pradesh, Haryana, Uttar Pradesh, Uttarakhand and Madhya Pradesh through a network of 61 branches, as on June 30, 2024. Amrit Group was a group of three NBFCs, promoted by Col. Joginder Singh Gill in 1987 post his retirement from the army. Within a span of three years, his son Mr. Ajit Pal Singh Gill, current MD, joined the business. The promoters incorporated two NBFCs initially with an objective to attract more deposits from clients. Having two NBFCs was considered to be more tax efficient by the depositors also. With no such incentives available now once the deposit taking facility was discontinued in 2016, the two entities Amrit Hire Purchase and Malwa Ludhiana Motor Finance decide to merge themselves into one big entity forming Amrit Malwa Capital Limited. The two entities got its merger approval in May'18. The other entity in the group is Amrit CIC which acts as a holding company.

Unsupported Rating
Not applicable

Analytical Approach
Acuité has considered the standalone business and financial risk profile of AMCL.

Key Rating Drivers

Strength
Improvement in Scale of operations
AMCL has its presence in 8 states/UTs and operates via 68 branches . The AUM increased to Rs. 704.95 Cr. as on March 31, 2025 from Rs. 554.96 Cr. as on March 31, 2024; Rs. 714.71 Cr. as on H1FY2026. This is aided by improving disbursement momentum to Rs. 467.53 Cr. during FY2025 from Rs. 374.49 Cr. during FY2024; Rs. 207.22 Cr. during H1FY2026. The company's major products include E-rickshaw financing and 2W financing which comprise 93 percent of the AUM as on March 31, 2025. The profitability a saw a marginal improvement as marked by a PAT of Rs 9.44 Cr. during FY2025 as compared to a PAT of Rs 9.28 Cr. during FY2024; Rs. 4.98 Cr. during H1FY2026.

Moderate capitalisation level
The capital adequacy ratio of AMCL stood moderate at 23.66 percent as on March 31, 2025 (22.57 percent as on March 31, 2024 and 22.56 percent as on March 31, 2023). The company has raised funds through regular promoter contributions which has helped maintain the CRAR and gearing levels. There has been an equity infusion of Rs. 15.75 Cr. during FY2025 and Rs. 8.5 Cr. during H1FY2026. The gearing improved to 4.18 times as on March 31, 2025 as against 4.47 times as on March 31, 2024.

Weakness
Moderate Asset Quality
The GNPA and NNPA moderated to 3.53 percent and 2.54 percent as on March 31, 2025 as against 3.97 percent and 2.88 percent as on March 31, 2024 respectively. The on-time portfolio has been in the range of 70-76 percent in the past four years and stood at 71.68 percent as on September 30, 2025. Acuité believes, going forward, the ability of the company to maintain the asset quality while increasing the portfolio will be a key rating monitorable.

Geographical concentration risks
AMCL started its expansion recently which makes its portfolio highly concentrated in the areas of its initial operation. AMCL's portfolio is highly concentrated in Punjab with ~56% of the portfolio originating from there followed by ~16 percent from Rajasthan and ~12% from Uttar Pradesh as on March 31, 2025. It makes AMCL vulnerable to policy changes and/or any other changes in the region affecting the business. Acuité believes that improving the capitalization levels and expanding the business while maintaining the growth in earning profile will be crucial.

Rating Sensitivity

- Timely infusion of capital; any adverse upward movement in gearing
- Movement in asset quality
- Movement in profitability metrics
- Changes in regulatory environment

All Covenants

1. The ratio of Financial Indebtedness to Tangible Net Worth shall not exceed 5.00 x or times till the remaining tenor of the instrument;
2. No cumulative liquidity mismatch in any of the standard buckets up to 12 months on all standard liquidity buckets, as prescribed by RBI.

3. For the purpose of this calculation, undrawn term loans are to be excluded;
4. Issuer to be profitable in any financial year beginning FY23;
5. Minimum Tier I Capital shall be maintained at a 15%;
6. The Company shall at all times maintain the Capital Adequacy Ratio (CAR) ratio of no less than 20% or the regulatory minimum, whichever is higher.
7. The Company shall at all times maintain a ratio of (x) the sum of Portfolio at Risk over 90 days plus Net Charge-Offs plus provision on repossessed stocks during the last 12 months divided by (y) the Outstanding Gross Loan Portfolio of not greater than 7%.
8. The Company shall at all times maintain the ratio of the sum of (x) Portfolio at Risk over 90 days– Loan Loss Reserve) divided by (y) Tier 1 Capital of no more than 20%
9. The Company shall at all times maintain unencumbered cash and cash equivalents (including unutilized CC/ OD limits) of no less than INR 20,00,00,000/- (Indian Rupees Twenty Crores only) until 30th June '25 and thereafter equivalent to at least the total repayment obligations during the three subsequent months
10. Minimum additional incremental equity infusion as follows: FY23: INR 5 Cr, FY24: INR 7.50 Cr & FY25: INR 7.50 Cr.

Liquidity Position
Adequate
AMCL's overall liquidity profile remains adequate with no negative cumulative mismatches in near to medium term as per ALM dated March 31, 2025. The company has cash and bank balances to the tune of Rs. 49.57 Cr. as of March 31, 2025 and is in talks with new and existing lenders to further aid its disbursements and liquidity.

Outlook: Stable

Other Factors affecting Rating
None

Key Financials - Standalone / Originator

Particulars	Unit	FY25 (Actual)	FY24 (Actual)
Total Assets	Rs. Cr.	691.89	575.53
Total Income*	Rs. Cr.	70.68	60.85
PAT	Rs. Cr.	9.44	9.28
Net Worth	Rs. Cr.	111.50	89.24
Return on Average Assets (RoAA)	(%)	1.49	1.75
Return on Average Net Worth (RoNW)	(%)	9.40	11.63
Debt/Equity	Times	4.18	4.47
Gross NPA	(%)	3.53	3.97
Net NPA	(%)	2.54	2.88

**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
• Explicit Credit Enhancements: https://www.acuite.in/view-rating-criteria-49.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, 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
28 Nov 2024	Term Loan	Long Term	7.00	ACUITE A- (CE) | Stable (Reaffirmed)
	Principal protected market linked debentures	Long Term	25.00	ACUITE PP-MLD BBB | Stable (Reaffirmed)
29 Nov 2023	Term Loan	Long Term	7.00	ACUITE A- (CE) | Stable (Upgraded from ACUITE BBB+ (CE) | Stable)
	Principal protected market linked debentures	Long Term	25.00	ACUITE PP-MLD BBB | Stable (Upgraded from ACUITE PP-MLD BBB- | Stable)
29 Nov 2022	Term Loan	Long Term	7.00	ACUITE BBB+ (CE) | Stable (Assigned)
	Principal protected market linked debentures	Long Term	25.00	ACUITE PP-MLD BBB- | Stable (Reaffirmed)
04 Oct 2022	Proposed principal protected market linked debentures	Long Term	25.00	ACUITE PP-MLD BBB- | Stable (Assigned)
	Term Loan	Long Term	7.00	ACUITE Provisional BBB+ (CE) | Stable (Reaffirmed)
01 Sep 2022	Proposed Long Term Loan	Long Term	7.00	ACUITE Provisional BBB+ (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
Not Applicable	INE03XB07366	Principal protected market linked debentures	01 Oct 2022	Not avl. / Not appl.	30 Nov 2025	25.00	Complex	PP-MLD | ACUITE BBB | Stable | Reaffirmed
Hinduja Leyland Finance Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	26 Aug 2024	7.00	Simple	Not Applicable | Withdrawn

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About Acuité Ratings & Research

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