



**Press Release**  
**CREDIT WISE CAPITAL PRIVATE LIMITED**  
**April 04, 2025**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE BB+   CE   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	15.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

\* The issuer did not co-operate; based on best available information.

Errata- This Erratum publishes the rectification in the rating suffix (CE) that was missed in the original press release dated Oct 09, 2024. Concurrently, the Assessment of Adequacy of Credit Enhancement section has been added. Additionally, the Applicability Criteria has been revised.

**Rating Rationale**

Acuite has downgraded the long-term rating to ‘**ACUITE BB+ (CE)**’ (read as **ACUITE double B plus (Credit Enhancement)**) from ‘**ACUITE BBB+ (CE)**’ (read as **ACUITE triple B plus (Credit Enhancement)**) on the Rs.15.00 Cr. bank loan facilities of Credit Wise Capital Private Limited (CWCPL).

The rating is now flagged as "Issuer not corporating" and is based on the best available information. The rating has been downgraded on account of information risk.

**About the Company**

Credit wise Capital Private Limited is digital-fintech non-banking finance company (NBFC) having business of two-wheeler finance incorporated in 2018. It was founded and promoted by Aalesh Avlani with multiple renowned business houses, including Greshma Group, Wallfort Group, MJ Shah Group, and the Shanti Group. The company is serving majorly in four states, including Maharashtra, Gujarat, Karnataka, and Telangana.

**About Northern Arc Capital Limited (“Northern Arc”)**

Northern Arc, previously known as IFMR Capital Finance Ltd. is a Non-Deposit taking NonBanking Financial Company (ND-NBFC) incorporated in 1989. It is involved in the placement (arranging funding for its clients via loan syndication, securitisation and assignment among others) and lending business. The company acts as a link between mainstream capital markets investors and highquality last mile lending institutions and businesses. The company’s business is categorized as finance sector exposure, i.e., microfinance, affordable housing finance, commercial vehicle finance, consumer finance, agri-finance and small business loans, and non-finance sector exposure, i.e., mid-market finance and corporates.

**Unsupported Rating**

Acuite BB+

**Non-cooperation by the issuer/borrower**

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer

along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and Acuité’s policies.

**Limitation regarding information availability**

This rating is based on information available from sources other than the issuer / borrower (in the absence of

information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the “CE” suffix)**  
Acuite has not factored the benefit from the CE structure.

### Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

### Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

### Outlook:Not Applicable

### Other Factors affecting Rating

None

### Key Financials:

Particulars	Unit	FY23 (Provisional)	FY22 (Actual)
Total Assets	Rs. Cr.	345.08	209.91
Total Income*	Rs. Cr.	42.86	20.27
PAT	Rs. Cr.	1.67	1.04
Net Worth	Rs. Cr.	82.35	80.28
Return on Average Assets (RoAA)	(%)	0.60	0.77
Return on Average Net Worth (RoNW)	(%)	2.06	1.65
Debt/Equity	Times	3.09	1.56
Gross NPA	(%)	0.95	0.73
Net NPA	(%)	0.71	0.54

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

### Status of non-cooperation with previous CRA

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, 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Jul 2023	Term Loan	Long Term	15.00	ACUITE BBB+ (CE)   Stable (Assigned)
13 Apr 2023	Proposed Term Loan	Long Term	15.00	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
Hinduja Leyland Finance Ltd.	Not avl. / Not appl.	Term Loan	30 Mar 2023	Not avl. / Not appl.	30 Sep 2025	15.00	Simple	ACUITE BB+   CE   Downgraded   Issuer not co-operating*

\* The issuer did not co-operate; based on best available information.

## 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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