

RATING RATIONALE

23 March 2026

Orange City Housing Finance Pvt Ltd

Brickwork Ratings assigns the long-term rating for the Proposed Non Convertible Debenture facility of Rs 16.00 Crores, reaffirms the long-term rating for the proposed bank loan facility of Rs 10.00 Crores and reaffirms the long-term rating for the Non Convertible Debentures of Rs 21.25 Crores of Orange City Housing Finance Pvt Limited

Particulars:

Facilities/ Instruments*	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (25 Nov 2025)	Present
Term Loan (Proposed)	10.00	10.00	Long Term	BWR BB / Stable (Reaffirmation)	BWR BB / Stable (Reaffirmation)
NCD \$	10.00	21.25	Long Term	BWR BB / Stable (Reaffirmation)	BWR BB / Stable (Reaffirmation)
NCD \$	12.50		Long Term	BWR BB / Stable (Assignment)	
NCD (Proposed)	0.00	16.00	Long Term	-	BWR BB/Stable (Assignment)
Total	32.50	47.25	INR Forty Seven Crores Twenty Five Lakhs Only		

#Please refer to BWR website www.brickworkratings.com for definition of the ratings

*Details of the rated facilities and Instruments is provided in Annexure I and Annexure II respectively

\$: The Company had raised NCDs of Rs. 25.00 Crores, of which the present outstanding post redemption was Rs. 21.25 Crores as of 15 March 2026. BWR had earlier rated proposed NCDs of Rs. 10.00 Crores on 26 Nov 2024 and the company raised NCDs of Rs.25.00 Crores. In the rating review of 25 Nov 2025, Of the raised NCDs of Rs.25.00 Crores BWR rated the NCDs outstanding at Rs. 22.50 Crores, (i.e. rating reaffirmation for Rs.10.00 Crores and rating assignment for Rs.12.50 Crores). The Reduction in NCDs outstanding was on account of redemption as conveyed by the Company and confirmed by the Debenture trustee.

Note: The present rating exercise of March 2026 is for the Assignment of Rating for the proposed NCDs of Rs.16.00 Crores, and Review of Rating of the outstanding NCDs of Rs.21.25 Crores and the proposed bank loan facilities of Rs.10.00 Crores

RATING ACTION/OUTLOOK :ASSIGNMENT/ REAFFIRMATION/STABLE

Brickwork Ratings assigns the long term rating for the proposed NCDs of Rs.16.00 Crores, reaffirms the long term rating for the proposed bank loan facility of Rs 10.00 Crores (reduced from Rs. 20.00 Crores) and reaffirms the long term rating for the Non Convertible Debentures of Rs 21.25 Crores of Orange City Housing Finance Pvt Limited ('OCHFL' or 'The Company'); as tabulated above.

The assignment/ reaffirmation of rating factors in the comfortable capitalization levels of the company and the funding support of the promoter of the company, apart from the experienced management team. The rating however is constrained by the limited resource profile restricting the business growth, unseasoned loan portfolio and geographical concentration of the portfolio.

KEY COVENANTS OF THE FACILITY RATED

For the proposed bank loan facilities of Rs.10.00 Crores, the covenants shall be standard in terms of sanction.

For the NCD issuance of Rs.25.00 Crores (NCD of Rs.10.00 Crores + NCD of Rs.15.00 Crores), the company has raised NCDs of Rs. 25.00 Crores on private placement basis, these are secured, senior instruments of plain/vanilla instruments with quarterly repayment of principal of Rs.1.25 crores each. The NCDs raised @ coupon rate fixed at 9%.p.a. payable quarterly. The principal is repayable in 20 quarterly installments of Rs.1.25 Crores each beginning from June 2025. The maturity date of the instruments is 30 March 2030. The NCDs are secured by 1.1x security cover of book debt/ receivables. For other details, please refer Annexure II

For the proposed rated NCD of Rs.16.00 Crores, the company proposed to raise NCDs amounting to Rs.40.00 Crores in two tranches of Rs.20.00 Crores each. Each tranche of NCDs of Rs.20.00 Crores will comprise rated NCDs of Rs.8.00 Crores and the unrated NCDs of Rs.12.00 Crores. BWR assigns rating for the rated portion of proposed NCDs aggregating to Rs.16.00 Crores, from these two tranches of Rs.20.00 Crores as stated above. The proposed issuances shall be Senior, secured, unlisted, redeemable, taxable, non-convertible debentures, with rated portion of Rs.16.00 Crores and unrated portion of Rs.24.00 Crores. These NCDs shall be for a tenor of 60 months from the deemed date of allotment, repayable on quarterly basis. The Coupon rate is expected to be in lines with the existing raised NCDs, and shall have quarterly frequency of coupon payment. A security cover of 1.15x (One Decimal Point One Five Times) the value of the outstanding principal of these Debentures shall be maintained at all times over certain identified receivables of the Issuer until the redemption of the Debentures. For other details, please refer Annexure II

KEY RATING DRIVERS

Credit Strengths:-

Comfortable capitalization: The promoter has been infusing capital regularly to support the company's growth plan. The Company's net worth stood at Rs.34.46 Crores as at 31 December 2025, as against Rs.27.82 Crores as at 31 March 2025. The CRAR of the Company was at 172% as on 31 March 2025 and 121% as at 31 December 2025, well above the minimum regulatory requirement of 15%. Optimum utilisation of the capitalisation will assist in scaling-up of business. The promoter has infused Rs. 15.77 Crores till 15 March 2026 in FY26 and may infuse more capital to support the business growth requirements. As of 31 December 2025, the borrowings of the company stood at Rs. 21.25 Crores against a comfortable net worth of Rs. 34.45 Crores. The Company shall maintain a gearing upto 2x.

Small ticket of loans- Company has entered into the lending space to extend credit in the affordable housing finance segment, the company over the past two years has built a granular portfolio with 93% of its portfolio with maximum ticket size upto Rs. 30 Lakhs. The company has a prudent lending philosophy as seen in the granular nature of its portfolio, low Loan to value (LTV) ratio and focus on lending towards salaried class borrowers. As the ticket size is low, the vulnerability of default risk tends to be low.

Promoters support and Experienced Management- The company has been till date been funded by the promoters only and NCD of Rs 25.00 Crores were raised through private placement . The promoters continue to support the company in terms of periodic fund infusion requisite for the business growth and provisions. The Company's Board of Directors are supported by experienced senior management in Housing finance and Mortgage finance, Finance & Accounts, and in their respective functional domain. BWR believes that OCHFL will continue to maintain healthy capitalization levels backed by support from the promoters.

Credit Risks:-

Limited diversity in resource profile- As of 30 Sep 2025, the company is funded by the promoter and NCD investors. Given the Company's exposure to the affordable housing segment, funding support from National Housing Bank will assist the business growth. The Company raised the NCDs in Feb 2025 and was unable to meet its projected AUM for FY25, however since then the company has been able to increase its disbursements. As of 30 Sep 2025, the Company AUM (entirely own loan book) stood at Rs. 46.00 Crores. The borrowing mix awaits funding from banks and financial institutions at affordable costs to support its lending activities in the affordable housing loans. The ability of the company to broaden its lender base and establish stable, long-term funding relationships will remain a key monitorable.

Unseasoned Portfolio: Total loan book was Rs. 46 Crs as on 30 Sep 2025, Rs. 52 Crs as on 31 Dec 2025 and Rs.62 Crs as on 28 Feb 2026 with majority of disbursements in FY26. A significant portion of the company's loan book is recently built and remains unseasoned, which shall be monitorable on the long-term asset quality behaviour. The company's ability to maintain high collection efficiency, control early delinquencies, and demonstrate stable asset quality performance over time will be essential parameters to monitor on its overall credit risk profile.

Geographical concentration of portfolio- The Company has a limited track record and a small scale of operations compared to the industry size. The company's operations are concentrated in Maharashtra and Chattisgarh and recently opened new branches in Madhya Pradesh. The portfolio shows geographic concentration of ~69% of exposure in Mumbai and Kalyan.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA: STANDALONE
For arriving at its ratings, BWR has considered the standalone approach for the Company. BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES:

The Company's limited resource profile had limited its business growth. The Company however expects the AUM and profitability to improve over the next few quarters. BWR shall monitor the growth in AUM and net profits of the company, and shall remain key rating sensitivities.

Positive :

- Growth in AUM over and above its estimated level of Rs.100 crores
- Seasoning of new loan book portfolio for at least three years, indicating Net NPAs below 1%

Negative :

- Gross NPA ratio above 5%
- Gearing of more than 3X
- Decline in net profits by over 10% over its previous period
- Deterioration in liquidity profile due to mismatch in Operating cash flows across all buckets.
- Non achievement of AUM to the level of Rs 65 Crore.

LIQUIDITY INDICATORS : ADEQUATE

Cash & Bank balance as on 30 Sep 2025 was Rs. 6.50 crores (bank balance: Rs.0.61 crores and fixed deposits: Rs. 4.87 crores) all are unencumbered as against repayment obligations of Rs 3 crores till March 2026. The ALM (Asset Liability Management) statement as on 30 Sep 2025 had no negative cumulative mismatches across the maturity bucket of the Company.

COMPANY'S PROFILE

Orange City Housing Finance Pvt. Ltd., (OCHFL) is a Nagpur-based housing finance company engaged in financing of housing loans. It commenced its operations from 2003, after getting incorporated under Companies Act 1956 and registered with National Housing Bank (NHB), a fully owned subsidiary of Reserve Bank of India (RBI). Initially the company was incorporated as Orange City Housing Finance Limited, recently the name of the company was changed to Orange City Housing Finance Pvt Ltd.

It caters to the housing needs of the salaried and self-employed segment of the borrower with an average ticket size of less than Rs. 30 lakhs. The company is operational in Mumbai, Kalyan, Raipur, Nagpur, Indore, Jalgaon and plans to expand its presence to Pune by March FY26. Additionally, the company aims to further expand its branches in Madhya Pradesh, Gujarat, and Rajasthan in the coming financial year.

KEY FINANCIAL INDICATORS:

Particular	Units	31 Mar 2023	31 Mar 2024	31 Mar 2025	H1FY26	9MFY26
Result Type		Audited	Audited	Audited	Provisional	Provisional
AUM	Rs in Crs	11.97	15.88	30.71	46	52.30
Total Income	Rs in Crs	2.99	2.03	4.47	2.91	4.4
PAT	Rs in Crs	1.59	-0.65	0.40	0.26	0.61
Total Debt	Rs in Crs	0.00	0.00	25.00	22.50	21.25
Gearing Ratio	times	Nil	Nil	0.90	0.80	0.61
TNW	Rs in Crs	20.11	21.46	27.82	31	34.46
GNPA	%	7.60	15.30	4.38	2.74	2.53%
NNPA	%	4.18	1.89	1.70	0.61	0.65%
CRAR	%	227.78	198.08	172	124	121

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY - There was no non-cooperation with other CRAs.

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]:

Sl. No.	Name of Facility/ Instrument	Type	Current Rating (Mar 2026)		Rating History for the past 3 years		
			Amount (Rs. Crs)	Rating	2025	2024	2023 (10 Oct 2023)
1	Fund Based - Term Loan (Proposed) Lo	Long Term	-	-	-	Withdrawn (28 Aug 2024)	BWR C Continues to be in ISSUER NOT COOPERATING* category/ Downgraded
2	Fund Base - Term Loan (Proposed)	Long Term	10.00	BWR BB/ Stable (Reaffirmation)	BWR BB/ Stable (Reaffirmation) (25 Nov 2025) Reduced to BLR-Rs.10.00 Crs, since not raised	BWR BB/ Stable (Assignment) (26 Nov 2024) BLR Rs.20.00 Crs	-
3	NCD \$	Long Term	21.25	BWR BB/ Stable (Reaffirmation)	BWR BB/ Stable (Reaffirmation) (25 Nov 2025) (NCD Rs.10.00 Crs)	BWR BB/ Stable (Assignment) (NCD Rs.10.00 Crs)	-

4	NCD \$	Long Term			BWR BB / Stable (Assignment) (25 Nov 2025) (NCD Rs.12.50 Crs)	-	-
5	NCD (proposed)	Long Term	16.00	BWR BB / Stable (Assignment)	-	-	-
Total			47.25	Rupees Forty Seven Crores and Twenty Five Lakhs Only			

*Issuer did not cooperate; based on best available information.

\$: The Company had raised NCDs of Rs. 25.00 Crores, of which the present outstanding post redemption is Rs. 21.25 Crores. BWR had earlier rated proposed NCDs of Rs. 10.00 Crores on 26 Nov 2024 and the company raised NCDs of Rs.25.00 Crores. In the review of Nov 2025, BWR rated the raised NCD's outstanding at Rs. 22.50 Crs, (i.e. reaffirmation for Rs.10.00 Crores and assignment for Rs.12.50 Crores). Reduction in NCDs outstanding is on account of redemption as conveyed by the Company and confirmed by the Debenture trustee

Note: The present exercise includes assignment of rating for the proposed NCDs of Rs.16.00 Crores, and review of rating of the outstanding NCDs of Rs.21.25 Crores and proposed bank loan facilities of Rs.10.00 Crores

Complexity Levels of the Instruments: Simple

For more information, visit <https://www.brickworkratings.com/download/ComplexityLevels.pdf>

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Banks & Financial Institutions](#)
- [NBFC](#)

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Orange City Housing Finance Private Limited

**ANNEXURE I
Details of Bank Loan Facility rated by BWR**

Sr. No	Name of the bank/lender	Type of facilities	Long term (Rs. Crs)	Short term (Rs. Crs)	Total (Rs. Crs)	Complexity of the Instrument*
1	Proposed	Term Loan	10.00	0.00	10.00	Simple

*For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Note: The proposed bank loan facilities stand reduced from Rs. 20.00 crores to Rs. 10.00 Crores at the request of the company and company's confirmation of non utilisation of the proposed bank loan facilities

**ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS:**

Sr. No	Instrument	Issue Date	Amount last rated Rs Crs	Current O/s (Rs. Crs)	Coupon Rate (%)	Maturity Date	ISIN	Complexity of the Instrument*
1	Non Convertible Debenture \$	27 Feb 2025	22.50	21.25	9.00%	30 Mar 2030	INE114 T07018	Simple
2	Proposed Non Convertible Debenture &	-	16.00	-	-	-	-	Simple

*For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

\$ The Company had raised NCDs of Rs. 25.00 Crores, of which the present outstanding post redemption was Rs. 21.25 Crores as of 15 March 2026. BWR had earlier rated proposed NCDs of Rs. 10.00 Crores on 26 Nov 2024 and the company raised NCDs of Rs.25.00 Crores. In the rating review of 25 Nov 2025, Of the raised NCDs of Rs.25.00 Crores BWR rated the NCDs outstanding at Rs. 22.50 Crores, (i.e. rating reaffirmation for Rs.10.00 Crores and rating assignment for Rs.12.50 Crores). The Reduction in NCDs outstanding was on account of redemption as conveyed by the Company and confirmed by the Debenture trustee.

& NCDs rated of Rs.16.00 Crores are proposed and not yet raised

Note: The present rating exercise of March 2026 is for the Assignment of Rating for the proposed NCDs of Rs.16.00 Crores, and Review of Rating of the outstanding NCDs of Rs.21.25 Crores and the proposed bank loan facilities of Rs.10.00 Crores

**ANNEXURE III
List of entities consolidated:**

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA

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