



RATING RATIONALE

10 Aug 2022

Aurika Finvest Pvt Ltd. (Erstwhile Hriday Fincorp Pvt Ltd.)

Brickwork Ratings downgrades the rating for the Non Convertible Debentures & Bank Loan facilities amounting to Rs. 39.28 Crs of Aurika Finvest Pvt Ltd. (Erstwhile Hriday Fincorp Pvt Ltd.) as the Issuer did not Cooperate; based on the best available information.

Particulars:

Instruments/ Facility	Previous Amount (Rs Crs)	Present Amount (Rs Crs)	Tenure	Previous Rating (08 Jul 2021)	Present Rating
Non Convertible Debentures	22.00	22.00	Long Term	BWR BB (Stable) Reaffirmed	BWR B+ ISSUER NOT COOPERATING*/ Stable (Downgrade)
Fund based bank loan	17.28	17.28	Long Term		
Total	39.28	39.28	INR Thirty Nine Crores and Twenty eight lakhs only		

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

Issuer did not cooperate; based on best available information

Details of NCD & bank loan facilities in the Annexure I & II

RATING ACTION/OUTLOOK/NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) downgrades the ratings on the Non Convertible Debentures (NCD) and Fund based bank loan limits of Aurika Finvest Pvt Ltd. to 'BWR B+ ISSUER NOT COOPERATING/Stable', as tabulated above. Despite BWR's best efforts to obtain at least the minimum required information for a rating review, the Company has not provided the same. BWR has obtained the lenders and debenture trustee feedback, which confirms timely servicing of debt and interest obligations. However in the absence of adequate information from the Company and continued lack of cooperation, BWR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Based on inadequate information and lack of cooperation, BWR downgrades the rating of the NCD to 'BWR B+ ISSUER NOT COOPERATING'/ Stable based on the best available information.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. The current rating action has been taken on the basis of the limited information on the issuer's performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as it may not adequately reflect the credit risk profile of the society, despite the downgrade.



ABOUT THE COMPANY

Hriday Fincorp Pvt. Ltd. (HFPL) is a non-banking financial institution in Udaipur, Rajasthan, (erstwhile Satkar Finance Pvt Ltd); it got registered with the Reserve Bank of India in 2000. In 2012, the company diversified its commercial operations such that it offers a wide range of products. HFPL is primarily engaged in financing small and medium enterprises for working capital and growth, loans for purchase and construction of commercial property, vehicle financing, home purchase and home improvement loans, loans against property and gold loans, among others. The Company changed its name to Aurika Finvest Pvt Ltd. in Dec 2021.

KEY FINANCIAL INDICATORS

Key Parameters		FY 2020	FY 2021
Result Type	Units	Audited	Provisional
Loan Portfolio	Rs Crs	12.41	10.53
Net Interest Income	Rs Crs	1.55	1.38
PAT	Rs Crs	0.64	0.68
Tangible net worth	Rs Crs	3.29	3.84
CRAR	%	25.17	34.24
Gross NPA	%	6.18	6.16
Net NPA	%	5.26	4.58

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:

CARE B(Stable) Issuer Not Cooperating on June 02, 2021

ANY OTHER INFORMATION

NIL

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

S.No	Instrument	Current Rating			Rating History		
		Type	Amount (₹ Crs)	Rating	2021	2020	2019
1	NCD	Long term	22.00	BWR B+ ISSUER NOT COOPERATING*/ Stable (Downgrade)	BWR BB/Stable (Reaffirmed) (08 July 2021)	BWR BB/Stable (Reaffirmed) (06 July 2020)	BWR BB/Stable (Assigned) 18 June 2019
2.	Bank Loan Facilities	Long Term	17.28	BWR B+ ISSUER NOT COOPERATING*/ Stable (Downgrade)	BWR BB/Stable (Reaffirmed) (08 July 2021)	BWR BB/Stable (Reaffirmed) (06 July 2020)	BWR BB/Stable (Reaffirmed) 18 June 2019 BWR BB/Stable (Assigned) 23 May 2019
Total			39.28	Rupees Thirty Nine Crores and Twenty Eight lakhs Only			

*Issuer did not cooperate; based on best available information

@The Company had NCD of Rs.4.65 Crs outstanding as on 30 June 2022, as against raised NCDs amounting to Rs. 5.37 Crs and balance were proposed NCDs.

Bank Loan facilities include a proposed limit of Rs 15 Crs

COMPLEXITY LEVELS OF THE INSTRUMENTS

Non Convertible Debentures - SIMPLE

Bank Loan Facilities- SIMPLE

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

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Banks and Financial Institutions](#)
- [Default Recognition and Post Default Curing Period](#)

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Aurika Finvest Pvt. Ltd.
Annexure - I
Details of Bank Loan facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)
1.	State Bank of India	Cash Credit	1.00	-	1.00
2.	State bank of India	Term Loan O/s	1.28	-	1.28
3.	Proposed	Term Loan	15.00	-	15.00
	TOTAL		17.28	-	17.28

Rupees Seventeen Crores and Twenty Eight Lakhs only o/s as of 08 July 2021

ANNEXURE- II
INSTRUMENT (NCD/Bonds/ CP/FDs) Details:

Instrument	Issue Date	Amount (Rs Crs)	Coupon Rate	Maturity Date	ISIN
NCD	31/07/18	0.76	10.00%	31/07/23	1st Tranche of FY 18-19
NCD	31/08/18	0.64	10.00%	31/08/23	2nd Tranche of FY 18-19
NCD	31/10/18	1.00	10.00%	31/10/23	3rd Tranche of FY 18-19
NCD	31/01/19	0.47	10.00%	31/01/24	4th Tranche of FY 18-19
NCD	28/02/19	0.58	10.00%	28/08/22	5th Tranche of FY 18-19
NCD	28/03/19	0.35	10.00%	28/03/24	6th Tranche of FY 18-19
NCD	01/05/19	0.13	10.00%	01/11/22	7th Tranche of FY 18-19
NCD	26/07/19	0.07	10.00%	26/07/24	1st Tranche of FY 19-20

NCD	23/08/19	0.08	10.00%	22/08/24	2nd Tranche of FY 19-20
NCD	18/12/19	0.22	10.00%	18/09/23	3rd Tranche of FY 19-20
NCD	29/01/20	0.21	10.00%	29/01/25	4th Tranche of FY 19-20
NCD	26/02/20	0.11	10.00%	26/02/23	5th Tranche of FY 19-20
NCD	21/03/20	0.06	10.00%	21/06/23	6th Tranche of FY 19-20
TOTAL		4.65			
Proposed NCD		18.35			
TOTAL		22.00			

INR Twenty Two Crores only

ANNEXURE- III

List of Entities Consolidated : Not Applicable

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