



RATING RATIONALE

13 Sep 2023

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

Brickwork Ratings downgrades the long-term ratings for the NCDs of Rs. 22.00 Crs. and Bank Loan facilities of Rs. 17.28 Crs of Aurika Finvest Pvt. Ltd. (Erstwhile Hriday Fincorp Pvt Ltd.) and continues the rating under the Issuer Not Cooperating* category, as the entity did not cooperate.

Particulars:

Instruments**	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (10 Aug 2022)	Present
Non Convertible Debentures	22.00	22.00	Long Term	BWR B+ /Stable ISSUER NOT COOPERATING* Downgrade	BWR C / Continues to be Issuer Not Cooperating*/ Downgrade
Fund based Bank Loan	17.28	17.28	Long Term		
Total	39.28	39.28	Rupees Thirty Nine Crores and Twenty Eight lakhs only		

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

**Details of Bank facilities & NCDs are provided in Annexure I & II respectively

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

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. (“AFPL” or “the Company”) to ‘BWR C’ with continuation under the Issuer Not Cooperating* category, as tabulated above.

Brickwork ratings took up with AFPL to provide the required information over emails and through telephonic communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the Company has not provided the same. The Company has not been submitting NDS since October 2022. Feedback from the banker on the bank loan facilities rated by BWR and Debenture Trustee feedback on the debt instruments rated by BWR were not received despite multiple requests.

In absence of adequate information from the issuer, non-submission of NDS and continued lack of management cooperation, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its debt and maintain valid ratings.

LIMITATION OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

COMPANY PROFILE (As available with BWR)

Aurika Finvest Pvt. Ltd. (AFPL) is a non-banking financial institution in Udaipur, Rajasthan, (erstwhile Hriday Fincorp 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. AFPL 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 from Hriday Fincorp Pvt. Ltd. to Aurika Finvest Pvt. Ltd. in Dec 2021.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NIL

KEY FINANCIAL INDICATORS (As available with BWR)

Key Financial Indicators	Units	FY21	FY22	FY23
Result Type		(UA)	(A/UA)	(A/UA)
Loan Portfolio	Rs in Crs	10.53	N.A.	N.A.
Net Interest Income	Rs in Crs	1.38	N.A.	N.A.
PAT	Rs in Crs	0.68	N.A.	N.A.
Tangible net worth	Rs in Crs	3.84	N.A.	N.A.
CRAR	%	34.24	N.A.	N.A.
Gross NPA	%	6.16	N.A.	N.A.
Net NPA	%	4.58	N.A.	N.A.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: CARE B- (Stable)
Issuer Not Cooperating on 25 August 2022.

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

S.I no.	Facility	Current Rating 2023			Rating History		
		Type	Amt in Rs.Crs	Rating	2022	2021	2020
1	Non Convertible Debentures	Long Term	22.00	BWR C CONTINUES TO BE ISSUER NOT COOPERATING* (Downgrade)	BWR B+ / Stable ISSUER NOT COOPERATING* (Downgrade)	BWR BB/Stable (Reaffirmed) (08 July 2021)	BWR BB/Stable (Reaffirmed) (06 July 2020)
2	Fund based bank loan	Long Term	17.28	BWR C CONTINUES TO BE ISSUER NOT COOPERATING* (Downgrade)	BWR B+ / Stable ISSUER NOT COOPERATING* (Downgrade)	BWR BB/Stable (Reaffirmed) (08 July 2021)	BWR BB/Stable (Reaffirmed) (06 July 2020)
	Total		39.28		Rupees Thirty Nine Crores and Twenty Eight lakhs Only		

*Based on best available information; Issuer Not Cooperating

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](#)
- [Approach to Financial Ratios](#)
- [Banks & Financial Institutions](#)
- [What Constitutes Non-Cooperation](#)

Analytical Contacts	
Monika Jadigenahalli Rating Analyst +91 080 40409343 monika.j@brickworkratings.com	Vidya Shankar Principal Director - Ratings Board: 022 6745 6660 vidyashankar@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

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
Total Rupees Seventeen Crores and Twenty Eight Lakhs only					

Outstanding as of 08 July 2021

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

Sl. No.	Instrument	Issue Date	Amount (Rs Crs)	Coupon Rate	Maturity Date	ISIN \$
1	NCD	31/07/18	0.76	10.00%	31/07/23	1st Tranche of FY 18-19
2	NCD	31/08/18	0.64	10.00%	31/08/23	2nd Tranche of FY 18-19
3	NCD	31/10/18	1.00	10.00%	31/10/23	3rd Tranche of FY 18-19
4	NCD	31/01/19	0.47	10.00%	31/01/24	4th Tranche of FY 18-19
5	NCD	28/02/19	0.55	10.00%	28/08/22	5th Tranche of FY 18-19
6	NCD	28/03/19	0.35	10.00%	28/03/24	6th Tranche of FY 18-19
7	NCD	01/05/19	0.13	10.00%	01/11/22	7th Tranche of FY 18-19
8	NCD	26/07/19	0.07	10.00%	26/07/24	1st Tranche of FY 19-20
9	NCD	23/08/19	0.08	10.00%	22/08/24	2nd Tranche of FY 19-20
10	NCD	18/12/19	0.22	10.00%	18/09/23	3rd Tranche of FY 19-20
11	NCD	29/01/20	0.21	10.00%	29/01/25	4th Tranche of FY 19-20
12	NCD	26/02/20	0.11	10.00%	26/02/23	5th Tranche of FY 19-20
13	NCD	21/03/20	0.06	10.00%	21/06/23	6th Tranche of FY 19-20
	TOTAL NCD		4.65			
	Proposed NCD		17.35			
	GRAND TOTAL		22.00			Rupees Twenty Two Crores Only

\$ As confirmed by the Company and the Debenture Trustee, the NCDs are in physical form and no ISIN numbers have been issued. The above issue details tranche wise have been shared by the Debenture Trustee.

**ANNEXURE- III
List of Entities Consolidated : Not Applicable**



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