RATING RATIONALE

18 September 2026

Western Capital Advisors Private Limited

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs 500.00 Crores and Non-Convertible Debentures of Rs. 100.00 Crores of Western Capital Advisors Private Limited

Particulars:

Facilities/ Instruments**	Amount (Rs. Crs)	Tenure	Rating*	Regulator
Fund Based Term Loans (existing and proposed)	**500.00**	Long Term	**BWR A-/ Stable (Assigned)**	RBI
Non-Convertible Debentures (Proposed)	**100.00**	Long Term	**BWR A-/ Stable (Assigned)**	SEBI
Total	**600.00**	**Rupees Six Hundred Crores Only**		

Note:

1. *Please refer to the BWR website **www.brickworkratings.com/** for the definition of the ratings
2. ** Refer to Annexures I, II and III for details of rated bank loan facilities, debt instruments and the List of Entities consolidated

RATING ACTION / OUTLOOK: ASSIGNMENT/ STABLE

Brickwork Ratings (BWR) assigns the long-term rating of BWR A-/Stable for the fund-based bank loan facilities (existing and proposed) of Rs 500 Crores and for the proposed Non-Convertible Debentures (NCDs) amounting to Rs. 100.00 Crores, of Western Capital Advisors Private Limited (Company or ' WCAPL'), as tabulated above.

The rating factors in the strength of the promoter and its group entity in mobilising capital through equity and inter-corporate deposits, support of the key promoter Mr Anil Kejriwal of the Kejriwal Group with flagship company - Kejriwal Industries Ltd, as it scaled up its business and revenues to ~ Rs.2000 Crores, healthy profitability margins of over 4% and low gearing below 1x. WCAPL's net worth was supported by initial capital funding by the promoters of Rs.173.75 Crores with an objective to support growth in its initial phases; similar support is expected in its transition phase until the stabilisation of business operations and improvement in earnings profile. As of 30 June 2026, the net worth of the company stood at Rs. 293 Crores with a gearing of <3x levels, and on a forward-looking basis the gearing shall be maintained below 4x levels.

The rating also derives comfort from a strong and experienced board of directors comprising ex-Executive Directors and ex-General Managers of Public Sector Banks to oversee governance and risk processes, policies, and systems. The Company has also onboarded experienced senior management team members across risk, technology, retail finance, and business correspondents to support its growth in AUM, which declined in FY 2024 due to a change of business model from wholesale-based to retail-based loan portfolio. The growth in AUM is also to be supported by its ongoing branch network across the various locations in the country over the next few years. Operating costs over the next few years are expected to remain high, resulting in lower profitability and RoAs in the near term, which are expected to stabilise and improve as the growing book supports income and profitability. BWR notes that while the growth transition from wholesale to retail book will be expected over the medium term, the company endeavors for a faster turnaround on its earnings profile with an improvement in asset quality.

The company, which diversified into Supply Chain Financing and Business Correspondent (BC) Retail lending partnerships in FY21, had pivoted towards secured MSME retail lending under its proprietary branch-led model, "Prabhaav Loans", in FY24 and has scaled down its Supply Chain Financing to adapt to the changing macroeconomic conditions and have a stable asset quality loan book portfolio. The Company operates in an integrated and technology-enabled lending ecosystem supporting its two core business verticals, Institutional Finance comprising Financial Institution Lending, Retail Partnerships and branch - based Retail Lending under Prabhaav Loans. With the launch of Prabhaav Loans, the company focused its Retail Partnership lending also towards MSMEs. This strategic shift of the company was to align with RBI's Digital Lending Guidelines, transitioning from high-risk, high-FLDG models to lower-risk MSME-focused lending under retail partnerships.

The loan book portfolio in ‘Prabhaav Loans’ stood at Rs.436.85 Crores with 90+DPD (days past due) at ~2%, as of 30 Jun 2026, the average delinquency levels (90+DPD) for the MSME segment loans across the industry is around 4-5 % while the company shall be maintaining its delinquency in this loan portfolio within industry levels, the portfolio from this book was at Rs. 123.20 Crores and Rs. 391.84 Crores as of 31 March 2025 and 31 March 2026 respectively, scalability of the portfolio in this segment was supported by its branch expansion from from 42 no of branches in March 2025 to 85 number of branches in June 2026.

Brickwork Rating (BWR) notes that the Company has planned to raise equity through private equity for approx Rs 200 crores in FY2027 to support its expansion.

The rating is, however, constrained by the company's significant investment in branches and operations, which led to high operating expenses. The company has scaled its branch network rapidly to 85 locations, with more than 50% added within the last 12 months. Management targets adding 25 branches annually to support growth in future. The company's ability to maintain underwriting quality, control operating overheads, and turn newly added branches profitable on time will be critical for credit metrics. The profitability from the core lending business, i.e., from “Prabhaav Loan,” is, therefore, expected to improve only over the medium term as the operating efficiencies improve.

BWR, nevertheless, takes note of the income streams from the BC portfolio and wholesale book, which shall support WCAPL’s earnings till the Prabhaav lending business stabilises and starts providing business returns.

BWR notes that while the current focus is on secured loans (backed by mortgages), the company is expected to have exposure to Financial institutions and through the BC portfolio of up to 15% of the portfolio over the medium-to-long term. Its ability to profitably scale up the business while maintaining resilient asset quality would be a key monitorable, considering the low seasoning of the secured loans in the near-to-medium term. Further, WCAPL’s ability to build a well-diversified funding profile at competitive rates on a sustained basis would remain critical, considering its growth plans.

The **Stable** outlook reflects gradual improvement of asset quality, supported by recent cash recoveries from delinquent loans and expectations of continued resolution in the stress account. Furthermore, the rating incorporates management's commitment to execute a planned equity infusion, providing essential capital buffers against credit costs and supporting medium-term portfolio growth.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED:

- **Bank Loan Facilities: The** following are some of the key covenants of its lenders as per their sanction letters; the other terms are stated in each of the lenders' sanction letters
  - Minimum Tier 1 capital at 20%
  - Maintain CRAR at a minimum of the level of 22%
  - Ratio of total debt (secured + unsecured) to equity to be maintained <=4.00x
  - GNPA to be maintained below 3.50% every quarter, and Net NPA to be maintained less than or equal to 2.50%
  - The company to ensure infusion of equity of Rs 150 Crores during FY27 as envisaged

- **Non-Convertible Debentures (NCD)**: The non-convertible debentures (NCD)s proposed by the company to be raised will be listed, rated, redeemable instruments in the nature of non-convertible debentures. These will be raised for an amount up to Rs 100 Crores to be raised in tranches. The other terms are informed by the company as to be in line with earlier raised NCDs.

KEY RATING DRIVERS

Credit Strengths:-

Experienced Board and management team

The Company's board of directors includes experienced members from the banking and financial sector. Leadership includes veterans with over three decades of experience from institutions like Punjab & Sind Bank, Allahabad Bank, and Union Bank of India. This expertise has been instrumental in building its underwriting model, managing corporate governance, and guiding the company through its operational transformation. The combination of seasoned leadership, a scalable retail footprint, and a strong promoter backing provides a significant strategic advantage in navigating the current credit environment. Apart from the Board of Directors, the company's management team comprises defined vertical heads to address its verticals. The management team of the company is led by the Chief Executive Officer, Mr. Nilesh Ghuge,and supported by Chief Financial Officer Mr. Ritesh Jhanwar. The management team brings in functional and technical expertise, technological updation, and experience in building the book from its conventional wholesale book to a retail finance book.

Adequate capitalisation

Capitalisation remains adequate for the current and planned scale of operations, supported by the equity infusion from the Promoters. With an initial promoter equity infusion of Rs 173.75 crores and subsequent internal accruals, the company's net worth has grown to Rs 291.95 crores as of 31 Mar 2026. Overall capital adequacy ratio remained adequate at 27.73% as on March 31, 2026 and 26.48% as on June 30 2026, with gearing of 2.8 times as on 30 June 2026. Promoters are likely to provide additional liquidity support, if required, as the business continues to grow. This, along with healthy internal cash accrual, should support WCAPL 's capitalisation over the medium term. BWR notes that while the promoters had infused equity upfront in initial years, there has been support of the group entities by raising capital in the form of inter-corporate deposits. The Company's net worth as of June 30 2026 was Rs. 293.13 Crores against Rs. 291.95 Crores as of March 31 2026. The Company is also exploring raising capital through private equity to support its growth requirements.

Steady Growth in Lending Operations

The company has demonstrated steady growth in its lending operations, underpinned by a significant geographical and strategic expansion. As of June 30 2026, the company operates over 85 branches across 7 states, with a focus on strengthening its presence in key regions like Maharashtra, Gujarat, Telangana, Madhya Pradesh, Rajasthan, and Tamil

Nadu. The company's Total Assets Under Management (AUM) reached Rs 1,041.06 crore as of June 30, 2026, marking steady expansion from Rs 1,000.84 crore in 31 March 2026 and Rs 708.80 crore in 31 March 2025. This growth is primarily driven by the flagship "Prabhav" loan segment—comprising Housing Loans and Loan Against Property (LAP)—which surged to an exposure of Rs 436.85 crore as of June 30, 2026, up from Rs 123.20 crore as of March 31, 2025. Granular retail exposures dominate the asset mix, with tickets under Rs 1 crore accounting for Rs 763.38 crore (73.33%) of total AUM.

Credit Risks:-

Average profitability, constrained by elevated operating expenses, likely to improve with stabilisation of branch profitability:
High operating expenses associated with the expansion of Prabhaav loans and branch network have impacted its profitability; net profit dropped significantly from Rs 16.81 crore as on March 31, 2025 to Rs 3.03 crore as on March 31, 2026, causing the Return on Equity (ROE) to contract to 1.06%. Given the focus on the granular retail segments, it would require branch network expansion and manpower addition; therefore, operating expenses are expected to remain high over the near term as WCAPL expands its operations. While management attributes this to a planned business realignment, the company faces the immediate challenge of proving that these investments will deliver the projected rebound in profitability to its earlier level.

Average Asset Quality, expected improvement with scaling up and change in business model towards retail loans:
The Company's asset quality experienced higher levels of delinquency in recent times, impacting the overall asset quality. The company faces potential asset quality pressures, as indicated by the rise in the delinquency ratios. Overall portfolio delinquency increased to over 3% as of June 30, 2026, from less than 1% as of March 31, 2025, and less than 3% as of March 31, 2026, largely driven by exposure in the legacy wholesale accounts. While the company has initiated recovery proceedings for these stressed assets, a sustained increase in delinquencies can further impact financial stability. The company's ability to maintain asset quality while rapidly scaling its new retail portfolio will be a key factor to monitor. Having noted the incremental delinquency, the company has initiated diversification of its risk by running down its supply chain financing book with wholesale exposure, and simultaneously increasing its retail lending through Prabhaav loans on a steady basis. While delinquency ratios may remain and the company expects its to be below industry levels, a sharp rise in delinquency due to incremental slippages shall impact the asset quality, provisions, and profitability of the company.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA: STANDALONE
To arrive at its ratings, BWR has considered the Standalone financials of Western Capital Advisors Pvt Ltd. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES

Positive:

- Sustainable improvement in asset quality with reduction in 90+ DPD as the portfolio scales up, and GNPA ratios below 3.5% on a sustained basis.
- Improvement in the earnings profile while increasing the scale of operations with RoA over 2.0% on a steady-state basis.

Negative :

- Any adverse movement in the earnings profile, resulting in a decline in earnings performance or a decline in profitability metrics from FY26 levels
- Increase in steady-state gearing above 4.5 times

LIQUIDITY: ADEQUATE :
The company maintains an adequate liquidity profile, characterized by a well-matched Asset-Liability Management (ALM) structure with no cumulative negative mismatches across any time buckets up to one year as of June 30, 2026. Liquidity is supported by unencumbered cash and cash equivalents amounting to Rs 94.09 crore against debt servicing repayment obligations of Rs 369.61 crore due over the next 12 months. The Company has average monthly collections of Rs 98 crore (~Rs 1,170.00 crore annualized), which provides comfort on its ability to service the debt obligations, absorb operational expenses, and support ongoing disbursements.

COMPANY PROFILE
Western Capital Advisors Private Limited (WCAPL), incorporated in 2018, is a Mumbai (Andheri)- based RBI-registered NBFC and is classified as a Middle Layer Non-Banking Financial Company (NBFC) by RBI. WCAPL is promoted and held 100% by the Kejriwal Group, of which Kejriwal Industries Ltd has an outstanding rating at A/ Stable from other domestic CRAs. Mr. Anil Kumar Kejriwal is Founder, while the Board is comprised of 5 members, of which three are independent, and two members are from the Kejriwal family. In FY21, the company diversified into Supply Chain Financing and Business Correspondent (BC) Retail lending partnerships. In FY24, the company pivoted towards secured MSME retail lending under its proprietary branch-led model, "Prabhaav Loans", and scaled back Supply Chain Financing

ESG PROFILE: ENVIRONMENTAL, SOCIAL, GOVERNANCE
The company demonstrates an Adequate ESG profile based on its environmental, social, and governance practices. The ESG profile for financial sector entities typically factors governance as a key differentiator.

Environmental: Environmental evaluation considers lending restrictions on environmentally sensitive sectors (if applicable) and the extent of support for green or sustainable-financing products.
Social: Social assessment covers employee welfare initiatives, diversity and inclusion practices, women workforce, and financial-inclusion measures. Customer service and grievance-resolution systems, data privacy and information-security measures, and community development or CSR initiatives.
Governance: Governance analysis includes the effectiveness of investor and stakeholder grievance-redressal mechanisms, the structure and independence of the board (with independent directors), adherence to regulatory and ethical standards, and workforce-governance policies promoting fairness and equity

KEY FINANCIAL INDICATORS OF THE WESTERN CAPITAL ADVISORS PVT LTD - (STANDALONE)

Particulars	Units	FY24	FY25	FY26	Q1FY27 (3M ending 30 June 2026)
		Audited	Audited	Audited	Audited
AUM	Rs. in Cr.	526	701	1007	1046
NII	Rs. in Cr.	37.33	50.59	65.16	19.67
Income (Rs in Cr)	Rs. in Cr.	85.91	96.16	139.87	45.21
PAT (Rs in Cr)	Rs. in Cr.	20.53	16.81	3.03	0.20
ROAA in %	%	2.82	2.33	0.31	0.08
Gross NPA	%	2.25	0.32	2.93	3.25
Net worth (Rs in Cr)	Rs. in Cr.	271.68	288.53	291.95	293.13
D/E	times	1.21x	1.70x	2.73x	2.83x

*annualised

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY: None with other CRA

Any Other Information: Not Applicable

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

Sr No	Facilities/ Instruments	Tenure	Current Rating		Rating History (for the previous three years)		
			Amount (Rs Crs)	Rating			
	-	-	-	Sep 2026	2025	2024	2023
1	Fund-Based Term Loan (existing and proposed)	Long Term	500.00	BWR A- / Stable **Assignment**	NR	NR	NR
2	NCD Proposed	Long Term	100.00	BWR A- / Stable **Assignment**	NR	NR	NR
	Total		**600.00**	**Rupees Six Hundred Crores Only**			

NR- Not rated

COMPLEXITY LEVELS OF THE INSTRUMENTS: SIMPLE
For more information, visit **www.brickworkratings.com/download/ComplexityLevels.pdf**

Any Other Information- NA

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- Banks & Financial Institutions

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Western Capital Advisors Pvt Ltd

ANNEXURE I
Details of Bank Loan Facilities as of 3 August 2026 rated by BWR:

Sr. No	Name of the bank/ lender	Facilities	Long Term (Rs. Crs)	Short term (Rs. Crs)	Total (Rs. Crs)	Complexity of the Instrument*	Regulator
1	AU Small Finance Banks	Term Loan	47.37	-	47.37	Simple	RBI
2	Capital Small Finance Bank	Term Loan	38.79	-	38.79	Simple	RBI
3	DCB Bank	Term Loan	9.17	-	9.17	Simple	RBI
4	IDBI Bank Ltd	Term Loan	23.00	-	23.00	Simple	RBI
5	IDFC First Bank	Term Loan	53.33	-	53.33	Simple	RBI
6	Indian Overseas Bank	Term Loan	25.00	-	25.00	Simple	RBI
7	Kotak Mahindra Bank	Term Loan	1.79	-	1.79	Simple	RBI
8	Small Industries Development Bank of India	Term Loan	20.00	-	20.00	Simple	RBI
9	State Bank of India	Term Loan	99.99	-	99.99	Simple	RBI
10	Suryoday Small Finance Bank Ltd	Term Loan	19.51	-	19.51	Simple	RBI
11	Union bank of India	Term Loan	9.47	-	9.47	Simple	RBI
12	Utkarsh Small Finance Bank Ltd	Term Loan	10.54	-	10.54	Simple	RBI
	Total		**357.97**	**-**	**357.97**		
	Proposed Limit		**142.03**	**-**	**142.03**		**RBI**
	Total	**Rs Five Hundred Crores Only**			**500.00**		

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

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

S. No	Instrument	Issue Date	Rated Amount (Rs in Crs)	Coupon Rate (%)	Maturity Date	ISIN	Complexity Levels	Regulator
1	**Proposed NCD (to be listed)**	**NA**	**100.00**	**NA**	**NA**	**NA**	**NA**	**SEBI**
	Total		**100.00**	**Rupees one hundred crores only**				

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

ANNEXURE- III
List of Entities Consolidated

Name of Entity	% Ownership	Extent of Consolidation	Rationale for Consolidation
Not applicable			

Annexure IV: List of instruments and names of regulators of the instruments

A.	Rating activities	
Sr. No.	Instrument/activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI

20	**Independent Credit Evaluation (ICE)**	**RBI**
21	**Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))**	**SEBI**
22	**Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))**	**MCA**
23	**Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) ***	**Investor-side regulator such as IRDAI, PFRDA @**

* Includes securitisation transactions involving assignee payout and acquirer's payout.
~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI, or MCA, and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with the names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility, which are part of securitisation transactions. # There is no instrument being rated, and hence, the Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in the SEBI Master Circular for CRAs.
@ These ratings were assigned during the regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B	Other Activities	Regulator of the Instruments
1	**Monitoring Agencies**	**SEBI**
2	**Research activities incidental to rating such as research for Economy, Industries and Companies ***	**NA**

Grievance Management: For any grievances relating to the rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com**. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to the rating of instruments regulated by other FSR (Financial Sector Regulators), please contact **grievance@brickworkratings.com**

DISCLOSURE ON CONFLICT OF INTEREST
BWR Board of Directors has no influence over rating decisions, nor do they sit on the rating committee or review, discuss, or evaluate any credit rating during the Board meetings.

About Brickwork Ratings
Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and is accredited by the Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009, and its corporate office is in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

Brickwork offers credit ratings of Bank Loans, Non- convertible/convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts,Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

For more information on policies and ratings, please visit **www.brickworkratings.com**