



## Press Release

### AMU Leasing Private Limited

June 04, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Fund Based Bank Facilities - Proposed	60.23	IVR BBB- / Stable  (IVR Triple B Minus with Stable Outlook)	-	Rating Assigned	<a href="#">Simple</a>
<b>Total</b>	<b>60.23</b> <b>(Rupees Sixty Crore and Twenty-Three Lacs only)</b>				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

#### Detailed Rationale

Infomerics Ratings has assigned the ratings to the bank facilities of AMU Leasing Private Limited (AMU) which derives strength from adequate capitalisation levels, moderate earnings profile, growth potential in the EV lending segment and diversified EV financing model enabling steady growth. The ratings are however partially constrained by moderate scale of operations, average asset quality and regional concentration of operations.

Infomerics Ratings expects outlook to remain stable on account of expectations of continued support from the promoters coupled with stable growth in AUM & improvement in asset quality levels.

#### Key Rating Sensitivities:

##### Upward Factors

- Substantial and sustained scaling up its operations by diversifying its loan portfolio geographically, while maintaining healthy asset quality, adequate capital position, liquidity and profitability



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### Downward Factors

- Substantial deterioration in operations impacting capital position, liquidity, and profitability
- Adverse movements in collection efficiency impacting AMU's asset quality.

### List of Key Rating Drivers with Detailed Description

#### Key Rating Strengths

**Adequate capitalisation levels:** AMU's capitalisation levels are adequate marked by capital adequacy of 20.30% as on 31<sup>st</sup> March 2025 (prov.) (31<sup>st</sup> March 2024: 17.84%). The capitalisation levels are supported by equity infusion from the promoters with last infusion of ~Rs. 10.00 crore in FY25 on account of conversion of compulsorily convertible preference shares into equity shares with tangible net worth of Rs. 29.68 crore as on 31<sup>st</sup> March 2025 (prov.) (31<sup>st</sup> March 2024: Rs. 19.41 crore). Going forward, AMU's capitalisation levels are expected to remain adequate on account of expectations of equity infusion from the promoters.

**Moderate earnings profile:** AMU's earnings profile is moderate marked by net interest income (NII) which has grown y-o-y by ~26% to Rs. 6.86 crore in FY25 (prov.) (refers to period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025) driven by the growth in AUM levels. AMU's other income stood at Rs. 10.36 crore in FY25 (prov.) (FY24: Rs. 4.40 crore) which primarily consists of leasing income, processing fees income and subvention income. Net interest margin (NIM) declined to 6.70% in FY25 (prov.) from 7.04% in FY24 on account of lower interest spread due to relatively higher cost of borrowing. Furthermore, ROTA declined to 1.93% in FY25 (prov.) from 3.99% in FY24 on account of lower profitability with PAT in absolute terms declining to Rs. 2.58 crore in FY25 (prov.) (FY24: Rs. 3.23 crore). This is primarily on account of cost to income increasing to 85.15% in FY25 (prov.) from 66.07% in FY24 on account of higher operating costs coupled with interest expenses as AMU is currently in a growing phase. Going forward, AMU's ability to improve its earnings profile will remain a key rating monitorable.



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**Growth Potential in the EV lending Segment:** EV lending segment in India is primed for growth due to government incentives, rising consumer demand, expanding infrastructure, financial institutions' interest, technological advancements, environmental regulations, and increasing awareness about EV benefits. These factors collectively create a promising market for EV loans with significant potential for expansion.

**Diversified EV financing model enabling steady growth:** AMU's dual financing model—comprising B2C and B2B segments—enables diversified customer outreach and supports EV adoption across retail and commercial segments. Its integrated dealer network, tailored business solutions, and end-to-end credit assessment framework enhance operational efficiency and loan quality, underpinning its position in the niche EV financing space.

### Key Rating Weaknesses:

**Moderate scale of operations:** AMU's scale of operations remains moderate despite year-on-year growth, with total AUM reaching Rs. 144.79 crore in FY25 (provisional) – comprising Rs 143.88 crore on-book and Rs 1.59 crore off-book – up when compared to Rs 108.17 crore in FY24. Given the highly competitive EV lending landscape, particularly with the presence of NBFCs, fintech's, and OEM captive finance arms, AMU's ability to further scale its operations in this environment will remain a key rating monitorable.

**Average asset quality:** AMU's asset quality remains average despite a slight improvement in FY25 (prov.), with GNPA and NNPA reducing to 2.72% and 2.22%, respectively, from 2.98% and 2.60% in FY24. However, AMU's focus on the EV loan segment—which is typically more prone to delinquencies and asset quality pressures due to broader retail lending trends and sector-specific risks. As AMU's AUM expands, its ability to sustain asset quality will remain a key rating monitorable.

**Regional concentration of operations:** AMU's portfolio remains geographically concentrated, with ~52% of its outstanding loan book in Uttar Pradesh and Delhi driven by the high penetration of E Rickshaws in these states as on 31<sup>st</sup> March 2025. This concentration



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exposes the company to regulatory and macroeconomic risks, which could impact its operating profile in the event of adverse policy changes or economic conditions.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Financial Institutions/NBFCs](#)

[Financial Ratios & Interpretation \(Financial Sector\)](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

### **Liquidity –Adequate**

Considering the asset size of the company, AMU's CRAR of 20.30% as on 31<sup>st</sup> March 2025 (prov.) which is well above regulatory requirement. Also, it has adequately matched asset liability profile as on March 31,2025 across all buckets. Moreover, cash and cash equivalents stood healthy at Rs. 2.87 crore as on March 31,2025.

### **About the Company**

AMU, founded in 1993 is a New Delhi-based, tech-driven, financial institution specializing in Electric Vehicle (EV) financing. As one of India's NBFCs in the EV sector, AMU supports sustainable development by offering a wide range of financial products including 2W/3W/4W EV loans, retro-fitment vehicle financing, SME and personal loans, battery financing and leasing, and drone financing.



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### Financials (Standalone):

For the year ended* / As on	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	15.29	30.36
PAT	3.23	2.58
Tangible Net worth	19.41	29.68
Total Loan Assets (On Book)	108.17	143.88
<b>Ratios</b>		
NIM (%)	7.04	6.70
ROTA (%)	3.99	1.93
Interest Coverage (times)	1.62	1.19
Total CAR (%)	17.84	20.30
Gross NPA [Stage III] (%)	2.98	2.72
Net NPA [Stage III] (%)	2.60	2.22

\* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: None

### Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (2025 - 26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024 - 25	Date(s) & Rating(s) assigned in 2023 - 24	Date(s) & Rating(s) assigned in 2022 - 23
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1.	Fund Based Bank Facilities - Proposed	Long Term	60.23	IVR BBB- / Stable  (Jun 04, 2025)	--	--	--

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### **About Infomerics:**

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

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### Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Bank Facilities - Proposed	-	-	-	-	60.23	IVR BBB- / Stable

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-AMU-Leasing-4june25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).