



## Press Release

Mr. Gauri Shankar who is a member of the Rating Committee of INFOMERICS is on the Board of Universal Fingrowth Private Limited. (hence, in accordance with the compliance norms he has not participated in any of the discussions and processes related to the aforesaid ratings).

### Universal Fingrowth Private Limited

**July 22, 2025**

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities- Cash Credit	3.00	IVR BB+/ Stable and Withdrawn (IVR Double B Plus with Stable Outlook) and Withdrawn	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook)	Rating Reaffirmed and withdrawn #	<a href="#">Simple</a>
Long Term Bank Facilities- Term Loan	0.00 (Reduced from Rs.34.02 Crore)	--	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook)	Rating Withdrawn @	<a href="#">Simple</a>
Proposed Long Term Bank Facilities- Term Loan	0.00 (Reduced from Rs.17.98 Crore)	--	IVR BB+ / Stable (IVR Double B Plus with Stable Outlook)	Rating Withdrawn ^	<a href="#">Simple</a>
<b>Total</b>	<b>3.00 (Rs Three Crore 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**

# The above action has been taken at the request of Universal Fingrowth Private Limited and 'No Objection Certificate' received from the bank who have extended the facilities which is rated by Infomerics and 'it is in line with Infomerics' policy of Withdrawal of the rating'.

@ The above action has been taken at the request of Universal Fingrowth Private Limited and 'No Due Certificate' received from the bank who have extended the facilities which is rated by Infomerics and 'it is in line with Infomerics' policy of Withdrawal of the rating'.

^ The withdrawal of the rating assigned to the proposed term loan takes into account the mail confirmation by Universal Fingrowth Private Limited informing that the company is not going ahead



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*with raising these loans as envisaged earlier and 'It is in line with Infomerics' policy of Withdrawal of the rating'.*

### **Detailed Rationale**

Infomerics Ratings has reaffirmed its ratings assigned to the bank facilities of Universal Fingrowth Private Limited (UFPL) as it continues to derive strength from comfortable capitalization and experienced promoters. However, these rating strengths are partially offset by weak asset quality and small scale of operations given regional concentration. Rating is simultaneously withdrawn with immediate effect. The withdrawal of rating is based on the request of the UFPL and 'No objection certificate' and 'No Dues certificate' received from the various lenders for the sanctioned facilities. Similarly, the rating assigned to proposed bank facilities of UFPL have been withdrawn based on the request of UFPL and confirmation that the company is not going ahead with raising these loans as envisaged earlier.

The rating is withdrawn in accordance with the Infomerics Ratings' policy on withdrawal of ratings.

The ratings have been assigned a stable outlook on account of expected growth in AUM with expected improvement in the asset quality.

### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial and sustained growth in AUM along with geographical diversification while maintaining healthy asset quality and capitalisation levels.

#### **Downward Factors**

- Substantial decline in AUM and/or any deterioration in asset quality, profitability and capitalization levels below regulatory requirement.



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### List of Key Rating Drivers with Detailed Description

#### Key Rating Strengths

##### **Experienced Promoters**

UFPL is promoted by Mr. Ramesh Chand Maheshwari, who has over four decades of experience in the financial services sector. The company is led by Mr. Rahul Maheshwari, who serves as the Managing Director and is actively involved in business mobilisation, loan origination, and credit operations. The board is supported by a qualified and experienced management team.

##### **Comfortable Capitalization**

UFPL's capitalisation profile remains adequate, supported by a healthy CRAR of 23.15% as on March 31, 2025 (provisional), which remains comfortably above the minimum regulatory requirements. The company's tangible net worth stood at Rs.14.22 crore at the end of FY25 (period refers from 01<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025), declining from Rs.16.02 crore due to losses during the year. However, promoters have infused capital of Rs.8.2 crore during 1Q FY26 is expected to support the capitalisation levels and provide cushion for near-term growth.

#### Key Rating Weaknesses

##### **Small Scale of operations given regional concentrations**

The scale of operations of UFPL remains modest, characterised by a regionally concentrated portfolio with 100% of the loan book sourced from Rajasthan. The company's Assets Under Management (AUM) remained stagnant at Rs.72.37 crore as on March 31, 2025. As per management, the company has sold its retail lending business during FY26 and as per management the company will concentrate on secured wholesale lending and achieved AUM of Rs.15 crore by 1QFY26. IVR notes that UFPL's ability to scale up its operations while achieving geographical diversification beyond Rajasthan will remain a key monitorable.



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### **Weak Asset Quality**

UFPL's asset quality witnessed a significant deterioration, with the Gross Non-Performing Assets (GNPA) and Net Non-Performing Assets (NNPA) rising to 9.63% and 7.96%, respectively, as on March 31, 2025 (provisional), compared to 1.56% and 1.24% as on March 31, 2024. The decline in asset quality was largely attributable to the seasoning of the loan portfolio and a moderation in collection efficiency, particularly within the unsecured lending segment. However, the company has sold these assets during 1QFY26 and as on June 30, 2025, does not have any legacy book.

**Analytical Approach:** Standalone

### **Applicable Criteria:**

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

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

[Criteria for assigning Rating Outlook](#)

[Policy on Default Recognition](#)

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

[Policy on Withdrawal of Ratings](#)

### **Liquidity – Adequate**

UFPLs liquidity remains adequate backed by comfortable capitalization with total CRAR (%) of 23.15% as on March 31st, 2025, and Net worth of Rs 14.22 Crores. Cash and bank balance of company stood at Rs.0.73 crore in FY25.

### **About the Company**

UFPL is a Jaipur, Rajasthan based NBFC which obtained the NBFC license in 2016 and started its commercial operations from FY17 onwards. Currently the company is engaged in the business of providing MSME and Loan Against Property (LAP) loans to retailers, traders, salaried individuals etc.



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**Financials (Standalone):**

(Rs. Crore)

For the year ended* As on	31-03-2023	31-03-2024
	Audited	Audited
Total Income	8.20	12.87
PAT	0.14	0.28
Tangible Net worth	15.64	16.02
AUM	39.60	60.86
<b>Ratios</b>		
NIM (%)	10.90	16.47
ROTA (%)	0.34	0.48
Interest Coverage (times)	1.06	1.08
Total CRAR (%)	39.88%	26.17%
Gross NPA [Stage III] (%)	1.69%	1.56%
Net NPA [Stage III] (%)	1.27%	1.24%

\* Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	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
					April 24, 2024	-	February 28, 2023
1.	Long Term Bank Facilities- Cash Credit	Long Term	3.00	IVR BB+/Stable and Withdrawn	IVR BB+/Stable	-	IVR BB+/Stable
2.	Long Term Bank Facilities- Term Loans	Long Term	0.00	--	IVR BB+/Stable	-	IVR BB+/Stable
3.	Proposed Long Term Bank Facilities- Term Loans	Long Term	0.00	--	IVR BB+/Stable	-	IVR BB+/Stable



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### Name and Contact Details of the Rating Director:

Name: Amey Joshi

Tel: (022) 62396023

Email: [amey.joshi@infomerics.com](mailto:amey.joshi@infomerics.com)

### 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: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Listing Status	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit	-	-	-	-	3.00	-	IVR BB+/Stable and Withdrawn

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Universal-Fingrowth-22july25.pdf>

**Annexure 3: Detailed explanation of covenants of the rated instrument/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).