



## Press Release

**Arka Fincap Limited**

**September 5<sup>th</sup>, 2022**

### **Withdrawal of Non-Convertible Debentures Rating**

#### **Ratings**

Sl. No.	Instrument/Facility	Amount (INR Crore)	Rating	Rating Action	<a href="#">Complexity indicators</a>
1.	Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	0.00 (Previously Rated 43.00)	--	Withdrawn*	Simple
2.	Proposed Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	0.00 (Previously Rated 27.00)	--	Withdrawn**	Simple
	<b>Total</b>	<b>0.00</b>			

*\*The facility has been repaid in full*

*\*\*The company has not issued the debt facilities as envisaged.*

#### **Details of Facilities are in Annexure 1**

#### **Detailed Rationale**

Infomerics Valuation and Rating Private Limited has withdrawn the ratings of “IVR AA-/ Stable Outlook [IVR Double A Minus with Stable Outlook” assigned to the NCDs of Arka Fincap Limited with immediate effect.

The NCDs aggregating to INR43.00 Crore are being repaid in full and No due Certificate has been received from the debenture trustee. Further, the company has not and does not propose to issue the proposed NCDs amounting to INR27.00 Crore.

The company request for withdrawal has also been received

#### **Detailed Rationale**

The rating is withdrawn in accordance with Infomerics’ policy on withdrawal and as requested by the company.

#### **Analytical Approach & Applicable Criteria**



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[Policy on Withdrawal of Ratings.](#)

### **About the company**

AFL is a systematically important, non-deposit taking NBFC. It is a wholly owned subsidiary of Kirloskar Oil and Engines Limited (KOEL), which is a flagship company of Kirloskar group. As a new NBFC, AFL aims to build a loan book of SME/MSME, corporate and Real Estate segment. The company was originally incorporated as Kirloskar Capital Limited and the name got changed during FY20.

**Status of non-cooperation with previous CRA:** N.A

**Any other information:** N.A.

**Rating History for last three years:**

Sl. No.	Name of Instrument/ Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 (December 29, 2021)	Date(s) & Rating(s) assigned in 2020-21 (December 30, 2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	Long Term	0.00	NA*	IVR AA-/ Stable Outlook	--	--
2.	Proposed Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	Long Term	0.00	NA*	IVR AA-/ Stable Outlook	IVR AA-/ Stable Outlook	--

\*NA-Not applicable, as rating has been withdrawn

### **Name and Contact Details of the Rating Analyst:**

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### **About Infomerics:**

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange



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Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI). Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating. Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. For more information visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	-	-	-	0.00	Withdrawn
Proposed Long Term Fund Based Facility – Non Convertible Debentures (NCDs)	-	-	-	0.00	Withdrawn

**Annexure 2: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 3: Facility wise lender details: Not Applicable**



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**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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).