



Press Release

Bhanix Finance and Investment Limited

August 25, 2023

This is with reference to the Press Release dated June 14, 2023. The revised PR stands as follows:

The revised press release added the Adequacy of Credit Enhancement Structure, Transaction Structure & Detailed explanation of covenants of the rated instrument/facilities as per the regulator guidelines.

Link to the press release dated June 14, 2023, published on Infomerics' website:

<https://www.infomerics.com/admin/uploads/pr-Bhanix-Finance-14jun23.pdf>

Ratings:

Instrument / Facility	Amount (INR Crore)	Ratings	Rating Action	Complexity Indicator
Non-Convertible Debentures (NCDs)	30.00	IVR BBB-/Negative; ISSUER NOT COOPERATING* (IVR Triple B Minus with Negative Outlook; ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Total	30.00	INR Thirty Crores Only		

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

Details of Facilities are in Annexure 1

Detailed Rationale:

The revision of rating assigned to Bhanix Finance and Investment Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.



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Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated June 8, 2023, June 05 2023, and May 26 2023 and telephonic follow ups. However, despite repeated requests by Infomerics, the company's management has provided requisite information and other essential details to complete the rating review process.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the Non-Convertible Debentures aggregating to INR 30.00 Crores of Bhanix Finance and Investment Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BBB-/Negative; ISSUER NOT COOPERATING; based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for NBFCs](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for rating outlook](#)

About the Company

Incorporated in 1996, Bhanix Finance and Investment Limited (BFIL) is registered as a Non-Banking Finance Company (NBFC) with the Reserve Bank of India (RBI). It was acquired by Aeries Financial Technologies Private Limited (AFTPL) in 2017 and is currently its wholly owned subsidiary. AFTPL is a subsidiary of TSLC Pte Ltd. (TSLC), a Singapore based company, operating in financial technology space.

BFIL provides short-term unsecured personal loans through its technology platform, CASHe. TSLC owns all the intellectual property rights developed by CASHe and has the worldwide rights of the application outside India for its lending and money transfer platform. TSLC has licensed CASHe mobile application to AFTPL for perpetual and exclusive use in India. In turn, AFTPL has sublicensed CASHe mobile application to BFIL. BFIL has to pay 5% of the revenue



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or 0.5% of the disbursement, whichever is higher, as license fee to AFTPL. The license is irrevocable, exclusive, non-transferrable and perpetual in nature.

CASHe uses technology combined with data analytics and proprietary algorithms to map young professionals based on Social Loan Quotient - their mobile, digital footprint and their social behavioural patterns to assess their credit worthiness. All loans are disbursed through CASHe application which are underwritten by BFIL. The lending model is entirely digital and BFIL has no branches.

Financials (Standalone): As per information available with us

(Rs. crore)

For the year ended / As On*	31-03-2020 (Audited)	31-03-2021 (Audited)
Total Operating Income	122.67	97.50
Interest	23.98	16.63
PAT	9.49	8.99
Total Debt	130.68	213.91
Tangible Net Worth	118.49	126.17
Total Loan Assets	238.55	324.55
Ratios		
PAT Margin (%)	8.01	9.23
Overall Gearing Ratio (x)	1.10	1.70
GNPA (%)	7.77%	7.16%
NNPA (%)	0.00%	0.00%
CAR (%)	43.86%	33.65%

*Classification as per Infomerics standards

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

Any other information: N.A.

Rating History for last three years:



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Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 26 October 2022	Date(s) & Rating(s) assigned in 2022-23 16 June 2022	Date(s) & Rating(s) assigned in 2021-22
1.	NCDs	Long Term	30.00	IVR BBB-/Negative ; ISSUER NOT COOPERATING*	-	IVR BBB+/CWDI	-
2.	Proposed NCDs	Long Term	-	-	Withdrawn	Provisional IVR BBB+/CWDI	-

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

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 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.

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 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



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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/Instrument

Name of Facility/Instrument	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Instrument (Rs. Crore)	Rating Assigned/ Outlook
NCDs (INE08X507053)	March 4, 2022	13.5% per annum paid monthly	September 4, 2023	30.00	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook; ISSUER NOT COOPERATING*

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

Annexure 3: Facility wise lender details: Not applicable

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

NCDs of Rs.30.00 crore	ISIN: INE08X507053
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- I. Capital adequacy ratio above 25% as of the last Business Day for each quarter during Facility Tenor.
- II. Gross Non-performing Assets (GNPA) below 10% of closing Gross AUM as of the last Business Day for each month during Facility Tenor. For avoidance of any doubt, GNPA is defined as all loans with dues of 90+ days as reported by BFIL.
- III. Net Non-performing Assets (NNPA) below 2% of closing Net AUM as of the last Business Day for each month during Facility Tenor. For avoidance of any doubt, NNPA is defined as GNPA net of provisions.

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