



Press Release

Enbee Trade and Finance Limited

December 29 2025

Ratings

Instrument/ Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long-Term Bank Facility (Proposed facility)	20.00 (Enhanced from 10.00)	IVR BB+ / Stable Outlook (IVR Double B plus with Stable Outlook)	IVR BB+ / Stable Outlook (IVR Double B plus with Stable Outlook)	Rating Reaffirmed	<u>Simple</u>
Total	Rs.20.00 (Rupees Twenty Crore Only)				

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 reaffirmed the ratings assigned to the proposed bank facilities of Enbee Trade and Finance Limited (ETFL), reflecting its experienced and professional management team, improvement in the scale of operations supported by growth in AUM and net interest income, healthy asset quality, and comfortable capitalisation levels. The ratings, however, remain constrained by the monoline nature of operations with exposure to a relatively higher-risk target segment, a concentrated borrowing mix resulting in a moderate resource profile, geographical concentration risk, and the competitive intensity of the industry. IVR expects the outlook to remain Stable, supported by steady growth in AUM, sustained asset quality, and comfortable capitalisation levels, supported by the company's established track record and prudent management practice.

Key Rating Sensitivities:

Upward Factors

- Substantial and sustained scaling up its operations and diversifying its loan portfolio geographically, while maintaining healthy asset quality indicators, comfortable capital position and liquidity.

Downward Factors

- Substantial deterioration in operations impacting capital position, liquidity, and profitability.



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- Adverse movements in collection efficiency impacting asset quality of the company.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced and professional management**

ETFL benefits from a strong management team with relevant experience across lending, financial services, governance and business expansion. Mr. Amarr Narendra Galla, Promoter & Managing Director, oversees the company's overall business strategy, credit framework and operational management, supported by extensive exposure to the financial services domain. Ms. Ssamta Amar Gaala, Whole-Time Director, heads the human resources function with a focus on organisational development, talent management and internal process strengthening. Independent oversight is provided by Mr. Akash Shailesh Gangar, an engineering professional and business entrepreneur, and Mr. Jayesh Gulabbhai Patel, a financial consultant, contributing to governance, risk evaluation and strategic decision-making. Mr. Hiren Mehta, Chief Business Officer, brings over two decades of experience in leading financial institutions, with expertise in strategic planning, business scaling and stakeholder management, supporting ETFL's growth trajectory. Infomerics Ratings expects that the strong leadership and active involvement of the promoter and management will contribute significantly to the company's long-term success and growth

- **Improvement in scale of operations supported by growth in AUM and improvement in NII.**

ETFL's total income has improved by 92.43% year-on-year to Rs. 19.73 crore in FY25 (period refers to 01st April 2024 to 31st March 2025), compared FY24 supported by higher disbursements in the unsecured personal and business loan segment. ETFL's AUM improved to Rs. 134.77 crore in FY25 and further increased to Rs. 144.94 crore in H1FY26 compared to Rs. 62.36 crore in FY24, driven by increased lending activity. Correspondingly, the Net Interest Income (NII) improved to Rs. 15.62 crore in FY25 from Rs. 8.51 crore in FY24, reflecting the growth in the loan book. The profitability also strengthened, with PAT increasing to Rs. 4.95 crore in FY25 from Rs. 1.56 crore in FY24. Net Interest Margin (NIM) moderated to 16.02% in FY25 from 17.57% in FY24, although



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it remained at a comfortable level, reflecting healthy spreads. The moderation in NIM was primarily due to an increase in the cost of funds arising from higher borrowing expenses during the year, which impacted yields as the loan book expanded.

- **Healthy asset quality**

ETFL's asset quality remained healthy, with Nil GNPA and NNPA in FY24, FY25 and H1FY26. The sustained nil-delinquency performance is supported by the company's conservative underwriting framework, reference-based sourcing model, disciplined repayment structure and strong collection oversight, which help mitigate credit risk despite operating entirely within an unsecured lending segment. The company primarily lends to borrowers with established financial profiles or strong references, supported by thorough credit evaluation and due diligence processes, strengthening portfolio quality. The stable asset quality, despite the rapid growth in AUM, provides comfort on portfolio performance and credit risk resilience; however, given the monoline unsecured lending model, the ability to maintain asset quality as the book expands remains a key monitorable.

- **Comfortable capitalization**

ETFL's CRAR slightly moderated to 76.41% in FY25 and 74.54% in H1FY26 (from 79.07% in FY24), owing to the growth in AUM, which resulted in a corresponding increase in risk-weighted assets, while the capitalization profile continues to remain healthy, supported by growth in the Tier I and Tier II capital base. The CRAR remains comfortably above the regulatory minimum requirement of 15%, providing adequate headroom for future growth. ETFL's tangible net worth increased to Rs. 79.34 crore in FY25 (period from April 1, 2024, to March 31, 2025), from Rs. 30.38 crore in FY24 supported by equity infusion of Rs.51.66 crore, with gearing improved to 0.64x in FY25 compared to 1.03x in FY24. Infomerics Ratings expects capitalization levels to remain comfortable over the medium term on the back of expected equity infusion from the promoters coupled with improvement in generation of internal accruals.

Key Rating Weaknesses

- **Monoline nature of operations relatively risky target segment**

ETFL's product diversification remains limited, with the portfolio concentrated solely in unsecured personal and business loans. The focus on individual borrowers in the unsecured segment, coupled with inherent political and operational risks, exposes the



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company to higher credit risk and may result in volatility in asset quality indicators as the portfolio scales.

- **Concentrated borrowing mix leading to moderate resource profile**

ETFL's resource profile remains moderate, with a concentrated borrowing mix and a high dependence on related-party funding, while borrowings from banks continue to remain limited. This dependence on promoter and related-party support indicates restricted funding diversification and financial flexibility. Infomerics expects the company to gradually diversify its funding mix towards lower cost sources, including banks to strengthen its overall resource profile

- **Geographical concentration risk**

ETFL's operations are primarily concentrated in the state of Maharashtra, with a single branch located in Mumbai. This limited geographic presence restricts the company's ability to diversify its operational base and exposes it to risks associated with geographical dependence.

- **Competitive nature of industry**

ETFL's faces intense competition from banks, other NBFCs and unorganised lenders in the personal loan and business loan segments, which may challenge the company's ability to maintain margins, underwriting quality and portfolio growth. The increasing competitive intensity in the unsecured lending space could limit the company's ability to scale while maintaining healthy yields and asset quality metrics, particularly as larger financial institutions with wider geographic reach continue to expand within the same borrower segment.

Analytical Approach: Standalone

Applicable Criteria:

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

[Criteria for assigning Rating outlook.](#)

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

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

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



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Liquidity – Adequate

As of September 30, 2025, ETFL has cash and cash equivalents amounting to Rs. 1.92 crore, supporting its short-term liquidity position. ETFL has adequately matched asset liability profile as on 30th September 2025, across all the buckets with no negative cumulative mismatches.

About the Company

Enbee Trade and Finance Limited (ETFL) is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI). ETFL was incorporated in July 1985 and is headquartered in Mumbai. The company has been engaged in lending activities since inception and has been listed on the Bombay Stock Exchange (BSE) since 1986. ETFL operates in the retail lending segment, primarily focusing on unsecured personal and business loans to small retailers.

Financials (Standalone):

	(Rs. crore)	
For the year ended* / As on	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	10.26	19.73
PAT	1.56	4.95
Tangible Net worth	30.38	79.34
Total loan Assets	62.36	134.76
Ratios		
NIM (%)	17.57	16.02
ROTA (%)	3.21	5.17
Interest Coverage (times)	2.21	2.96
Total CRAR (%)	79.07	76.41
Gross NPA [Stage III] (%)	0.00	0.00
Net NPA [Stage III] (%)	0.00	0.00

** Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None



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Rating History for last three years:

Sr. No	Name of Security/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
1.	Long-Term Bank Facility (Proposed facility)	Long Term	20.00	IVR BB+ / Stable Outlook	IVR BB+ / Stable Outlook (March 25, 2025)	IVR B+ / Negative. ISSUER NOT COOPERATING* (November 19, 2024)	IVR BB-/ Stable (September 26, 2023)

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

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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.



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

For more information and definition of ratings please visit <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	Listing Status	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long-Term Bank Facility (Proposed facility)	-	-	-	-	-	20.00	IVR BB+ / Stable Outlook

Annexure 2: Facility wise lender details :

[https://infomericstorage.blob.core.windows.net/uploads/LEN Enbee Trade and Finance29 Dec25 566f678823.pdf](https://infomericstorage.blob.core.windows.net/uploads/LEN%20Enbee%20Trade%20and%20Finance29%20Dec25%20566f678823.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.