

March 16, 2022

IIFL Finance Limited: Rating withdrawn for PTCs backed by gold loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial Amount Rated (Rs. crore)	Amount outstanding after last surveillance (Rs. crore)	Current Amount Outstanding (Rs. crore)	Rating Action
Liquid Gold Series 5	PTC Series A	285.00	NA	0.00	[ICRA]A1+(SO); Withdrawn

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating for pass through certificates (PTCs) issued under gold loan securitisation transaction originated by IIFL Finance Limited (rated [ICRA]AA(Stable)/[ICRA]A1+), as tabulated above. All the payouts to the investors in the above-mentioned instrument has been made and no further payments are due to the investors.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The previous detailed rating rationale of previous rating exercise is available at the following link:

[Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

IIFL Finance was a listed non-operating holding company with India Infoline Finance, a non-deposit accepting non-banking financial company (NBFC-ND), as its subsidiary. As part of the merger scheme with the receipt of an NBFC licence by IIFL Finance, India Infoline Finance was merged with IIFL Finance with effect from March 30, 2020. IIFL and its subsidiaries, IIFL Home Finance (registered as a housing finance company) and Samasta Microfinance Limited (registered as an NBFC-MFI), offer home loans, loan against property, micro, small & medium enterprise (MSME) loans, gold loans, microfinance and real estate loans.

Key Financial Indicators

Consolidated	FY2020	FY2021	Q1FY2022
Total revenue	4,821	5,850	1,482
Profit after tax	503	761	266
AUM	37,951	44,668	43,160
Gross NPA%	2.3%	2.0%	2.2%
Net NPA%	1.0%	0.9%	1.0%

Amounts in Rs. crore; Source: Company & ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2021		Date & Rating in FY2020	Date & Rating in FY2019
					March 16, 2022	March 31, 2021	March 24, 2021		
1	Liquid Gold Series 5	PTC Series A	285.00	0.00	[ICRA]A1+(SO); Withdrawn	[ICRA]A1+(SO)	Provisional [ICRA]A1+(SO)	-	-

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Liquid Gold Series 5	PTC Series A	Moderately Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN	Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE0H9Y15012	Liquid Gold Series 5	PTC Series A	March 2021	7.72%	March 2022	0.00	[ICRA]A1+(SO); Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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