June 10, 2019

Aptus Value Housing Finance India Limited: ICRA withdraws ratings for pass through certificates (PTCs) issued under one mortgage loan securitisation transaction

Summary of Rated Instrument

Trust Name	Instrument*	Initial Amount (Rs. crore[1])	Amount o/s after last surveillance (Rs. crore)	Amount O/s after May-19 Payout (Rs. crore)	Rating action
Astraea SBL IFMR Capital 2015	PTC Series A2	4.67	0.45	0.00	[ICRA]AAA(SO) Withdrawn

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the ratings for PTCs issued under one mortgage loan securitisation transaction originated by Aptus Value Housing India Limited, as tabulated above.

All the payouts to the investors in the above mentioned instrument has been made and no further payment are due to the investors.

Key rating drivers

Credit strengths

- N.A.

Credit challenges

- N.A.

Description of key rating drivers highlighted above

N.A.

Liquidity position

N.A

Past rated pool performance: ICRA has rated three pools originated by Aptus and backed by LAP loans. Out of these, two transactions have matured in (collection month) Apr-17 and May-19. The cumulative collection efficiency for the matured pool has been in the range of 94% - 97%, with the 90+ delinquency below 0.9% as on the last payout. The live pool has performed well with collection efficiency of more than 98% and nil loss-cum-90+ dpd levels after May-19 payout.

Key rating assumptions

N.A.

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[1] *100 lakh = 1 crore = 10 million*

Analytical approach

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

About the company

Chennai-based Aptus is a housing finance company (HFC), promoted by Mr. M Anandan, and incorporated in December 2009. The company's target borrowers are from the low- to middle-income segments, with an average ticket size of about Rs. 7-8 lakh. Its target geographies are the southern states, with a focus on rural and semi-urban areas. Aptus is largely focussed on self-employed customers without documentary evidence of their income, and with limited access to funding from banks and larger HFCs. The company has adequate systems and processes to assess the income of borrowers.

Aptus has a wholly-owned subsidiary, Aptus Finance India Private Limited (Aptus Finance), which extends mortgage loans to small and medium enterprises. On a standalone basis, Aptus Finance's book size was about Rs. 96 crore as on September 30, 2018.

In FY2018, Aptus (consolidated) reported a net profit of Rs. 70.2 crore on a total managed asset base of Rs. 1,477.7 crore against a net profit of Rs. 37.2 crore on a total managed asset base of Rs. 879.0 crore in FY2017.

ICRA has assigned long term rating of [ICRA]A(stable) and short term rating of [ICRA]A1 for the company as on Dec-18.

Key financial indicators

Aptus – consolidated	IGAAP FY2017	IGAAP FY2018	Ind-AS H1 FY2019
Total Income	126.4	212.9	149.3
Profit after Tax	37.2	70.2	48.1
Net Worth	521.1	589.5	632.9
Managed Portfolio	846.3	1,411.0	1,756.3
Total Managed Assets	879.0	1,477.7	1,919.2
Return on Managed Assets	5.2%	6.0%	5.7%
Return on Net Worth	10.1%	12.6%	15.8%
Gearing (times)	0.6	1.4	1.9
Gross NPA%	0.45%	0.50%	0.80%
Net NPA%	0.35%	0.40%	0.60%
CAR%	98.1%	63.9%	53.7%

Amounts in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

S.No	Name of	Current Rating (FY2020)	Chronology of Rating History for the past 3 years

	Instrument	Type	Initial Rated amount (Rs. Crores)	Amount Outstanding (Rs Crore)	Month-year & Rating June 2019	Date & Rating in FY2019	Date & Rating in FY2018		Month-year & Rating in FY2017	Date & Rating in FY2016
						March 2019	March 2018	April 2017	November 2016	July 2015
1	Astraea SBL IFMR Capital 2015	PTC Series A2	4.67	0.00	[ICRA]AAA (SO) Withdrawn	[ICRA]AAA (SO)	[ICRA]A+ (SO)	[ICRA]BBB+ (SO)	[ICRA]BBB+ (SO)	[ICRA]BBB (SO)

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure I
Details of Instruments

Sl.	Trust Name	Instrument name	Date of Issuance	Coupon Rate (p.a.)	Scheduled Maturity Date	Amount outstanding (Rs. crore)[2]	Current Rating
1.	Astraea SBL IFMR Capital 2015	PTC Series A2	Mar-15	13.50%	Mar-29	0.00	[ICRA]AAA(SO) Withdrawn

[2] *100 lakh = 1 crore = 10 million*

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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