August 20, 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 July-19 Payout (Rs. crore)	Rating action
Astraea SBL IFMR Capital 2015	PTC Series A3	0.36	0.36	0.00	[ICRA]AA+(SO) Withdrawn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ICRA has withdrawn the ratings for PTCs issued under one mortgage loan securitisation transaction originated by Aptus Value Housing India Limited, as tabulated above.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 4 pools originated by Aptus, backed by LAP loans, with the last pool being rated in July 2019. Of these, two transactions are live as on July 2019 payout month with the recent most transaction yet to complete atleast 3 payouts post securitisation. The remaining live transaction has performed well with with a collection efficiency of more than 98% and low loss-cum-90+ dpd levels of sub 0.2% after the July 2019 payout month. The matured transactions have performed well with cumulative collection efficiency above 92% and loss cum 90+ dpd level below 2.2% till last payout date.

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

Key rating assumptions

N.A.

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

Aptus Value Housing Finance India Limited

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 operates through 143 branches spread across Tamil Nadu, Puducherry, Andhra Pradesh, Telangana and Karnataka as on March 2019. Aptus has an outstanding rating of [ICRA]A(stable) for its long-term bank facilities and non-convertible debentures.

Aptus' portfolio has increased from about Rs. 1384 crore in March 2018 to more than Rs. 2025 crore as on March 2019 on the account of growth witnessed in both the home loan and LAP portfolio.

On a consolidated basis, Aptus reported a profit after tax of Rs. 111.7 crore on a managed portfolio of Rs. 2244.0 crore in FY2019 compared to a profit after tax of Rs. 66.7 crore on a managed portfolio of Rs. 1412.7 crore in FY2018.

Key financial indicators (consolidated)

Aptus - Consolidated	IGAAP FY2017	Ind-AS FY2018	Ind-AS FY2019
Total Income (Rs. crore)	126.4	203.7	338.4
Profit after Tax (Rs. crore)	37.2	66.7	111.7
Net Worth (Rs. crore)	521.1	584.9	698.6
Managed Portfolio (Rs. crore)	846.3	1412.7	2244.0
Total Managed Assets (Rs. crore)	872.0	1485.0	2376.5
Return on Managed Assets %	5.5%	5.7%	5.8%
Return on Net Worth (times)	10.1%	12.1%	17.4%
Gearing	0.6	1.4	2.3
Gross NPA%	0.45%	0.48%	0.40%
Net NPA%	0.35%	0.40%	0.30%
CAR%	98.1%	63.9%	43.6%

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 Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years			
		Type	Initial Rated amount (Rs. Crores)	Amount Outstanding (Rs Crore)	Month-year & Rating August 2019	Date & Rating in FY2019	Date & Rating in FY2018		Month-year & Rating in FY2017
						March 2019	March 2018	April 2017	November 2016
1	Astraea SBL IFMR Capital 2015	PTC Series A3	0.36	0.00	[ICRA]AA+ (SO) Withdrawn	[ICRA]AA+ (SO)	[ICRA]A (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 A3	Mar-15	15.00%	Mar-29	0.00	[ICRA]AA+(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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