

January 16, 2023

IIFL Home Finance Limited: Ratings withdrawn for PTCs backed by mortgage loan securitisation transactions

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
Elite Mortgage LAP Trust June 2016	PTC Series A	63.06	6.01	0.00	[ICRA]AAA(SO); Withdrawn
Elite Mortgage HL Trust June 2016	PTC Series A	74.43	16.97	0.00	[ICRA]AAA(SO); Withdrawn

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the ratings for pass through certificates (PTCs) issued under two mortgage loan securitisation transactions originated by IIFL Home Finance Limited (rated [ICRA]AA(Stable)/[ICRA]A1+), as tabulated above. All the payouts to the investors in the above-mentioned instruments have 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liquidity position, rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn.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:

Elite Mortgage LAP Trust June 2016 - [Click here](#)

Elite Mortgage HL Trust June 2016 - [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 originator

IIFL Home Finance Limited is a wholly-owned subsidiary of IIFL Finance Limited and registered with National Housing Bank (NHB) as a housing finance company. Incorporated in 2006, it offers home loans, loan against property and construction finance loans. IIFL Home Finance Limited's reported a PAT of Rs. 578 crore in FY2022 on total AUM of Rs. 23,617 crore as compared to PAT of Rs. 401 crore in FY2021 on a total AUM of Rs. 20,694 crore in FY2021. The Gross Stage 3 and Net Stage 3 stands at 2.1% and 1.3% respectively as on March 31, 2022 as compared to Gross Stage 3 and Net Stage 3 of 2.0% and 1.2% respectively as on March 31, 2021.

Key financial indicators

IIFL Home Finance Limited	FY2020 (Audited)	FY2021 (Audited)	FY2022 (Audited)
Total Income	1,803	2,068	2,221
Profit after tax	245	401	578
Asset under Management	18,495	20,694	23,617
Gross Stage 3	1.6%	2.0%	2.1%
Net Stage 3	1.2%	1.2%	1.3%

Amounts in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. No.	Trust Name	Current Rating (FY2023)					Chronology of Rating History for the Past 3 Years		
		Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					January 16, 2023	October 31, 2022			
1	Elite Mortgage LAP Trust June 2016	PTC Series A	63.06	0.00	[ICRA]AAA(SO); withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)

Sr. No.	Trust Name	Current Rating (FY2023)					Chronology of Rating History for the Past 3 Years		
		Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					January 16, 2023	September 20, 2022			
2	Elite Mortgage HL Trust June 2016	PTC Series A	74.43	0.00	[ICRA]AAA(SO); withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Elite Mortgage LAP Trust June 2016	PTC Series A	Moderately Complex
Elite Mortgage HL Trust June 2016	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 [Click here](#)

Annexure-I: Instrument details

ISIN	Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Elite Mortgage LAP Trust June 2016	PTC Series A	June 2016	Floating (linked to investor MCLR)	March 2030	0.00	[ICRA]AAA(SO); Withdrawn
NA	Elite Mortgage HL Trust June 2016	PTC Series A	June 2016	Floating (linked to investor MCLR)	September 2038	0.00	[ICRA]AAA(SO); Withdrawn

Source: Company

Annexure-II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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