

January 18, 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IIFL Home Finance Limited: Ratings withdrawn for PTCs backed by mortgage loan securitisation transactions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Elite Mortgage LAP Trust Sep 2016	PTC Series A	58.36	9.17	0.00	[ICRA]AAA(SO); Withdrawn
Elite Mortgage LAP Trust Dec 2016	PTC Series A	61.55	6.24	0.00	[ICRA]AAA(SO); Withdrawn
Solitaire Mortgage - 1 Trust March 2017	PTC Series A	387.93	86.21	0.00	[ICRA]AAA(SO); Withdrawn
Solitaire Mortgage - 2 Trust June 2017	PTC Series A	122.34	34.29	0.00	[ICRA]AAA(SO); Withdrawn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ICRA has withdrawn the ratings for pass through certificates (PTCs) issued under four mortgage loan securitisation transactions originated by IIFL Home Finance Limited (rated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liquidity position, rating sensitivities have not been captured as the ratings assigned to the instruments have been withdrawn. The previous detailed rating rationale of previous rating exercise is available at the following links:

Elite Mortgage LAP Trust Sep 2016 - [Click here](#); Elite Mortgage LAP Trust Dec 2016 - [Click here](#)

Solitaire Mortgage - 1 Trust March 2017 - [Click here](#); Solitaire Mortgage - 2 Trust June 2017 - [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	Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating (FY2023)		Chronology of Rating History for the Past 3 Years			
					Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					January 18, 2023	October 31, 2022	October 29, 2021	October 5, 2020	September 4, 2019	
1	Elite Mortgage LAP Trust Sep 2016	PTC Series A	58.36	0.00	[ICRA]AAA(SO); withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	

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					Date & Rating		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					January 18, 2023	October 31, 2022	October 29, 2021	October 5, 2020	September 4, 2019	
2	Elite Mortgage LAP Trust Dec 2016	PTC Series A	61.55	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 18, 2023	October 25, 2022	October 29, 2021	October 5, 2020	September 4, 2019
3	Solitaire Mortgage -1 Trust March 2017	PTC Series A	387.93	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 18, 2023	October 25, 2022	October 29, 2021	October 5, 2020	September 4, 2019
4	Solitaire Mortgage -2 Trust June 2017	PTC Series A	122.34	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 Sep 2016	PTC Series A	Moderately Complex
Elite Mortgage LAP Trust Dec 2016	PTC Series A	Moderately Complex
Solitaire Mortgage - 1 Trust March 2017	PTC Series A	Simple
Solitaire Mortgage - 2 Trust June 2017	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 Sep 2016	PTC Series A	September 2016	Floating (linked to investor MCLR)	August 2035	0.00	[ICRA]AAA(SO); Withdrawn
NA	Elite Mortgage LAP Trust Dec 2016	PTC Series A	December 2016	Floating (linked to investor MCLR)	April 2033	0.00	[ICRA]AAA(SO); Withdrawn
NA	Solitaire Mortgage - 1 Trust March 2017	PTC Series A	March 2017	7.25% p.a. fixed	June 2042	0.00	[ICRA]AAA(SO); Withdrawn
NA	Solitaire Mortgage - 2 Trust June 2017	PTC Series A	June 2017	Floating (linked to investor MCLR)	September 2037	0.00	[ICRA]AAA(SO); Withdrawn

Source: Company

Annexure-II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Abhishek Dafria

+91 22 6114 3440

abhishek.dafria@icraindia.com

Samriddhi Chowdhary

+91 22 6114 3462

samriddhi.chowdhary@icraindia.com

Gaurav Mashalkar

+91 22 6114 3431

gaurav.mashalkar@icraindia.com

Priya Gounder

+ 91 22 6114 3454

priya.gounder@icraindia.com

Ritu Rita

+91 22 6114 3409

ritu.rita@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6169 3304

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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