

April 27, 2023

Vivriti Capital Private Limited: Rating withdrawn for MLDs

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
MLDs	75.00	0.00	PP-MLD[ICRA]AA+(CE) (Stable); withdrawn
MLDs	75.65	75.65	PP-MLD[ICRA]A (Stable); outstanding
NCDs	348.00	348.00	[ICRA]A (Stable); outstanding
Long Term – Fund-based CC	55.00	55.00	[ICRA]A (Stable); outstanding
Long Term – Fund Based Term loans	2,045.00	2,045.00	[ICRA]A (Stable); outstanding
Total	2,598.65	2,523.65	

Rating Without Explicit Credit Enhancement	[ICRA]A
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*Instrument details are provided in Annexure-I

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The table above also captures ICRA's opinion on the rating without factoring in the explicit credit enhancement. The letters, PP-MLD, prefixed to a rating symbol stand for principal protected market linked debentures. According to the terms of the rated instrument, the amount invested, i.e. the principal, is protected against erosion while the returns on the investment could vary, being linked to movements in one or more variables such as equity indices, commodity prices, and/or foreign exchange rates. The rating assigned expresses ICRA's current opinion on the credit risk associated with the issuer concerned. The rating does not address the risks associated with variability in returns resulting from adverse movements in the variable(s) concerned

Rationale

The rating assigned to the MLD programme of Vivriti Capital Private Limited has been withdrawn as the MLDs (Trust name: Credavenue Modric Trust 2021) have matured and no dues are remaining against the NCDs. The withdrawal of rating is in accordance with ICRA's policy on withdrawal of credit rating.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn. The 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

Vivriti Capital Private Limited is a registered non-deposit taking systemically important non-banking financial company (NBFC-ND-SI). Promoted by Mr. Vineet Sukumar and Mr. Gaurav Kumar in June 2017, Vivriti provides diverse debt financing solutions including loans, working capital finance and trade finance to NBFCs and other enterprises. It has also started expanding its presence in the retail segment through various co-lending partnerships with other NBFCs.

In H1 FY2023, Vivriti reported a net profit of Rs. 61.5 crore on a standalone basis on total managed assets of Rs. 5,578.7 crore while it reported a net profit of Rs. 67.4 crore on total managed assets of Rs. 4,824.4 crore in FY2022.

Vivriti has a subsidiary, Vivriti Asset Management (VAM), which manages alternative investment funds (AIFs). VAM manages seven funds with a combined AUM of Rs. 1,676.7 crore as on March 31, 2022. In Q3 FY2021, Vivriti demerged its technology platform into a subsidiary company, CredAvenue Private Limited (CAPL). CAPL raised its first round of capital of Rs. 661 crore from various private equity investors including Lightspeed, Lightrock, TVS Capital, etc, in September 2021. On the basis of the shareholders' agreement, Vivriti did not retain control over CAPL, which became an associate of the company from September 2021. Vivriti continues to originate a minor portion of its business through the syndication platform operated by CAPL.

Key financial indicators (audited) – IndAS

Vivriti Capital Private Limited (standalone)	FY2021	FY2022	H1 FY2023 (P)
Total income	225.1	351.7	287.3
Profit after tax	30.0	67.4	61.5
Net worth	797.1	1,196.2	1,483.4
AUM	1,905	3,880	4,708
Total managed assets	2,244.6	4,824.4	5,578.7
RoMA	1.6%	1.9%	2.4%
Return on net worth	4.1%	6.8% [#]	9.2%
Gearing (times)	1.7	3.0*	2.7
Gross NPA	0.3%	0.3%	0.2%
Net NPA	0.0%	0.07%	0.05%
CRAR	40.3%	29.57%	29.78%

Source: Company, ICRA Research; [#] Net worth including equity raised in March 2022; *Gearing was 2.76x as per the audited financial statements (calculated excluding bank overdrafts and unamortised issue expenses) Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr No	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years							Date & Rating in FY2021
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2023		Date & Rating in FY2022					
						Apr-27-2023	Jan-27-2023	Nov-11-2022	Feb-03-2022	Nov-16-2021	Jun-04-2021	May-28-2021	-
1	MLD	Long Term	75.00	Nil	PP-MLD [ICRA]AA+(CE) (Stable)	PP-MLD [ICRA]AA+(CE) (Stable)	PP-MLD [ICRA]AA+(CE) (Stable)	PP-MLD [ICRA]AA+(CE) (Stable)	PP-MLD [ICRA]AA+(CE) (Stable)	PP-MLD [ICRA]AA+(CE) (Stable)	Provisional PP-MLD [ICRA]AA+(CE) (Stable)	-	

For details on other ICRA-rated instruments of the company, refer to the rationale [here](#)

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Credavenue Modric Trust 2021 (Modric)	Principal Protected Market Linked Debentures (PP-MLD)	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 No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE01HV07197	MLD	May-28-2021	9.25%*	Mar-28-2023	75.00	PP-MLD[ICRA]AA+(CE) (Stable); withdrawn

* Additionally, step-up interest of 4.0% is applicable from date of issuance in case of trigger event

Source: Company

For details on other ICRA-rated instruments of the company, refer to the rationale [here](#)

Annexure-II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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