

September 08, 2023

## Kogta Financial India Limited: Ratings withdrawn for PTCs backed by vehicle loan receivables securitisation transaction

### Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. crore)	Amount O/s after Last Surveillance (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Indigo 002	PTC Series A1	35.00	8.04	0.00	[ICRA]AA+(SO); Withdrawn

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the ratings for pass through certificates (PTCs) issued under the aforesaid transactions which are backed by pool of vehicle loans originated by Kogta Financial India Limited (Kogta). 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liquidity position, rating sensitivities have not been captured as the ratings assigned to the instruments have been withdrawn.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 link:

[Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA's Policy on Withdrawal of Credit Rating</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

### About the originator

Kogta Financial India Limited (KFIL), incorporated in 1996, is a non-banking financial company (NBFC). It primarily finances new and used commercial vehicles, multi-utility vehicles, cars, and tractors. It also provides loans against property and MSME loans. Based in Jaipur, the company operates through a network of about 202 branches as on March 31, 2023 across Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Delhi NCR, Uttar Pradesh and Punjab & Haryana. Post the equity infusion in May 2022, the promoter group, viz. the Kogta family, holds a 31.7% equity stake (including warrants) in the company on a fully-diluted basis, while the balance is held by Morgan Stanley Private Equity Asia (23.2%), Creador Advisors India LLP (17.2%), Multiples Private Equity (14.3%) and Javelin Investments (9%).

As of March 31, 2023, the company's AUM stood at ~Rs. 3,396 crore compared to ~Rs. 2,183 crore in March 2022.

### Key financial indicators

	FY2021	FY2022	FY2023
Net worth	596	651	1135
Profit after tax	45	52	85
Assets under management	1,496	2,183	3,396
% Gross NPAs	3.3%	3.6%	3.3%
% Net NPAs	2.4%	2.5%	1.8%

Amount in Rs. crore

Source: Company, ICRA Research; All ratios as per ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Trust Name	Instrument	Current Rating (FY2024)		Chronology of Rating History for the Past 3 Years				
		Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2023	Date & Rating in FY2022		Date & Rating in FY2021
				Sep 08, 2023	Dec 14, 2022	Dec 14, 2021	Dec 08, 2021	-
Indigo 002	PTC Series A1	35.00	0.00	[ICRA]AA+(SO); withdrawn	[ICRA]AA+(SO)	[ICRA]AA(SO)	Provisional [ICRA]AA(SO)	-

### Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Indigo 002	PTC Series A1	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
INE0JZ915010	Indigo 002	PTC Series A1	November 2021	8.50%	January 2025	0.00	[ICRA]AA+(SO); Withdrawn

Source: Company

#### Annexure II: List of entities considered for consolidated analysis

Not Applicable

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### Branches



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