

ART Affordable Housing Finance (India) Limited

March 23, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Bank facilities	50.00	0.00	[ICRA]BBB (Stable); Withdrawn
Total	50.00	0.00	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BBB (pronounced ICRA triple B) on the Rs. 50.00-crore bank limits of ART Affordable Housing Finance (India) Limited (AAHFL).

Rationale

The rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension and as requested by the company.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[Rating Methodology for Housing Finance Companies](#)

About the company:

ART Affordable Housing Finance (India) Limited (AAHFL) is a housing finance company, incorporated in 2013. It started operations in 2014 with a focus on mid-ticket loans in the prime salaried/self-employed segment but changed its strategy to focus on the affordable housing space in early FY2017. The corporate office is in Gurgaon and AAHFL currently operates through 31 branches in Delhi, Rajasthan, Haryana, Gujarat, Maharashtra and Uttar Pradesh. The company's target borrowers are from the lower and middle income segments, with an average ticket size of around Rs. 10-15 lakh. - . AAHFL largely targets the relatively underserved self-employed segment in addition to the semi-formal salaried segments on the periphery of Tier 1/Tier 2 cities. As of September 2017, 58% of its portfolio was in the retail housing loan segment and 42% in the LAP/non-housing segment. The company reported gross and net NPA of 0.29% and 0.22%, respectively, as of September 2017. The company is promoted by ART Business & Consumer Finance (India) Private Ltd -, which has a 100% stake in AAHFL.

During FY2017, the company reported a net loss of Rs. 5.16 crore on a managed asset base of Rs. 118.75 crore, vis-à-vis a net loss of Rs. 2.05 crore on a managed asset base of Rs. 97.51 crore during FY2016. As per provisional H1 FY2018 financials, the company reported a net profit of Rs. 1.27 crore on a managed asset base of Rs. 377.12 crore.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2018)					Chronology of Rating History for the past 3 years		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating	Date & Rating in FY2017	Date & Rating in FY2016	Date & Rating in FY2015
1 Bank lines	Long Term	50.00	0.00	March 2018 [ICRA]BBB (Stable); withdrawn	September 2016 [ICRA]BBB (Stable)	June 2015 [ICRA]BBB (Stable)	-

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-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan -1	20-Oct-15	NA	56 months	15.00	[ICRA]BBB (Stable); withdrawn
NA	Term loan - 2	28-Sep-15	NA	74 months	15.00	[ICRA]BBB (Stable); withdrawn

Source: ART Affordable Housing Finance (India) Limited

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