

October 13, 2023

Religare Finvest Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term bonds/NCD/LTD	120	0	[ICRA]D; withdrawn
Total	120	0	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the long-term rating of [ICRA]D assigned to the NCD programme of Religare Finvest Limited at the request of the company and in accordance with ICRA's policy on the withdrawal of credit ratings, as there is no amount outstanding against the rated instruments. The key rating drivers and their description, liquidity position, rating sensitivities, and key financial indicators have not been captured as the related instrument has been withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies ICRA's Policy on Default Recognition Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

RFL was originally incorporated as Skylark Securities Private Limited in 1995. It was converted into a public limited company, Fortis Finvest Limited, in 2004. In April 2006, the company changed its name to Religare Finvest Limited. RFL is a subsidiary of Religare Enterprises Limited (REL). The company's on-balance sheet portfolio stood at Rs. 2,109 crore as of March 31, 2023 (Rs. 3,981 crore as of March 31, 2022).

RFL reported a profit after tax (PAT) of Rs. 2,925 crore in FY2023 on a total gross asset base of Rs. 2,863 crore as of March 31, 2023 compared to a net loss of Rs. 1,747 crore in FY2022 on a total gross asset base of Rs. 6,884 crore as of March 31, 2022. Its net worth increased to Rs. 675 crore as of March 31, 2023 from -Rs. 2,271 crore as of March 31, 2022, on account of the writeback of borrowings (principal + interest), which led to a one-time exceptional gain of Rs. 3,289.4 crore. The company reported GNPA (%) of 78.0% and NNPA (%) of 2.2% as of March 31, 2023, compared to 79.9% and 23.6%, respectively, as of March 31, 2022.

RFL reported a PAT of Rs. 9.7 crore in Q1 FY2024 and a net worth of Rs. 683¹ crore as of June 30, 2023. The company reported GNPA of 80.4% and NNPA of 3.0% as of June 30, 2023.

¹ As per stock exchange (BSE) filing for limited review financial results.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years					
	Type	Amount Rated (Rs. crore)	Amount Outstanding As on Oct 13, 2023 (Rs. crore)	Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022		Date & Rating in FY2021
				Oct 13, 2023	Jun 09, 2023	Mar 27, 2023	May 09, 2022	Mar 28, 2022	May 17, 2021	Apr 06, 2020
Long-term debt programme	Long-term	120.00	-	[ICRA]D; withdrawn	[ICRA]D	[ICRA]D	[ICRA]D	[ICRA]D	[ICRA]D	[ICRA]D
Long-term debt programme	Long-term	-	-	-	-	-	[ICRA]D; withdrawn	[ICRA]D	[ICRA]D	[ICRA]D
Long-term/Short-term fund-based bank limits	Long-term/Short-term	-	-	-	[ICRA]D/[ICRA]D; withdrawn	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D
Long-term/Short-term fund-based bank limits	Long-term/Short-term	-	-	-	-	[ICRA]D/[ICRA]D; withdrawn	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D	[ICRA]D/[ICRA]D

Source: ICRA Research

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term bonds/NCD/LTD	Very Simple

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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details (as on October 13, 2023)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (%)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE958G08955	NCD	Oct 12, 2012	12.20	Oct 12, 2022	50.00	[ICRA]D; withdrawn
INE958G08963	NCD	Jan 21, 2013	12.20	Jan 21, 2023	42.00	[ICRA]D; withdrawn
INE958G08989	NCD	Feb 25, 2013	12.00	Feb 25, 2023	8.00	[ICRA]D; withdrawn
INE958G08997	NCD	Mar 28, 2013	12.05	Mar 28, 2023	20.00	[ICRA]D; withdrawn

Source: RFL

Annexure II: List of entities considered for consolidated analysis – Not applicable

ANALYST CONTACTS

Karthik Srinivasan
+91-22-6114 3444
karthiks@icraindia.com

Manushree Saggar
+91-124-4545 316
manushrees@icraindia.com

Niharika Tomar
+91-124-4545 324
niharika.tomar@icraindia.com

Rajat Kher
+91 124 4545 833
rajat.kher@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91-22- 61143406
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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.