

Religare Finvest Limited

October 10, 2018

Summary of Rated Instruments

Sl.	Trust Name	Instrument*	Initial Rated Amount (Rs. crore ¹)	Amount o/s after last surveillance (Rs. crore ²)	Current Amount O/s	Rating action
1	Divine LAP Securitisation Series III Trust 2013	PTC Series A	77.00	6.41	0.00	[ICRA]AAA(SO) Withdrawn
		PTC Series B	4.05	4.05	0.00	[ICRA]AA-(SO)& Withdrawn

& - Rating watch with developing implications

*Instrument details are provided in Annexure I

Rating Action

ICRA has withdrawn the ratings for PTC Series A and PTC Series B issued under a Mortgage loan securitisation transaction originated by Religare Finvest Limited, as tabulated above.

Rationale

All the payouts to the investors in the above mentioned instruments have been made and no further payment is due to the investors.

Key rating drivers

Credit Strengths

- N.A.

Credit Weakness

- N.A.

Description of key rating drivers highlighted above:

N.A.

Key rating assumptions

N.A.

¹ 100 lakh = 1 crore = 10 million

² 100 lakh = 1 crore = 10 million

Analytical approach:

N.A.

Links to applicable Criteria

[ICRA's Policy on Withdrawal and Suspension of Credit Rating](#)

About the Company:

Religare Finvest Limited (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 March 2006, the company changed its name to Religare Finvest Limited. RFL is a subsidiary of Religare Enterprises Limited. RFL had a total managed portfolio outstanding of Rs. 9,797 crore as on March 31, 2018.

In FY2018, RFL reported a net loss of Rs. 1,103 crore on an asset base of Rs. 12,532 crore compared to a net loss of Rs. 341 crore on an asset base of Rs. 17,158 crore in FY2017. The company's gross NPA stood at 34.3% and CRAR at 17.5% as on March 31, 2018.

RFL has ratings outstanding of ICRA]BBB-/[ICRA]A3 for its long term and short term debt respectively. The ratings are on watch with negative implications.

Key Financial Indicators (Audited)

Instrument	FY2017	FY2018
PAT	-341	-1,103
Net worth	3,041	1,938
Total Portfolio	13,974	9,797
RoA (return on average assets)	-1.8%	-17.6%
RoE (return on average equity)	-11.6%	-113.8%
Gearing	4.4	4.5
Gross NPA%	4.7%	34.3%
Net NPA%	3.4%	23.7%
Net NPA/Net worth	15.4%	103.2%
Net worth/ Total assets	17.7%	15.5%

Source: Company and ICRA research

CRAR: Capital to risk-weighted assets ratio, NPA: Non-performing asset

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years:

Table: Rating History

S.No	Name of Instrument	Type	Current Rating (2019)		Month-year & Rating	Chronology of Rating History for the past 3 years			
			Initial Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)		Month- year & Rating in FY2018	Month- year & Rating in FY2018	Month- year & Rating in FY2017	Month- year & Rating in FY2016
					Oct-18	Jan-18	Dec-17	Jan-17	Nov-15
1	Divine LAP Securitisation Series III Trust 2013	PTC Series A	77.00	Nil	[ICRA]AAA(SO) Withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AA+(SO)
		PTC Series B	4.05	Nil	[ICRA]AA-(SO)& Withdrawn	[ICRA]AA-(SO) &	[ICRA]AA-(SO)	[ICRA]AA-(SO)	[ICRA]A-(SO)

Complexity level of the rated instrument: **Highly Complex**

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 I

Details of Instruments

Sl.	Trust Name	Instrument	Date of Issuance	Coupon Rate (p.a.)#	Scheduled Maturity Date	Rated Amount (Rs. crore ³)	Current Rating
1	Divine LAP Securitisation Series III Trust 2013	PTC Series A	June 2013	9.70%	November 2024	Nil	[ICRA]AAA(SO) Withdrawn
		PTC Series B*	June 2013	Residual	November 2024	Nil	[ICRA]AA-(SO)& Withdrawn

* PTC Series B is not promised any yield; Promised payout to PTC Series B is only the principal on the final maturity date

Variable; subject to change owing to change in the benchmark rate

& Rating placed on 'watch with developing implications'

³ 100 lakh = 1 crore = 10 million

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