

May 15, 2019

## Invesco Asset Management (India) Private Limited: [ICRA]A1+mfs rating assigned to Invesco India Liquid Fund

### Summary of rated instruments

Instrument	Current Rated Amount (Rs. crore)	Rating Action
Invesco India Liquid Fund	-	[ICRA]A1+mfs; assigned
Total	-	-

### Rationale and Key Rating Drivers

The rating assigned is basis the portfolio of the scheme with the credit score of the portfolio being comfortable at the rating level of [ICRA]A1+mfs. The ratings indicate ICRA's opinion on the credit quality of the portfolios held by the funds. They do not indicate the AMC's willingness or ability to make timely payments to the fund's investors.

The ratings should not be construed as an indication of expected returns, prospective performance of the mutual fund scheme, net asset value (NAV) or volatility in its returns.

ICRA's mutual fund rating methodology is based on evaluating the inherent credit quality of the fund's portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of credit scores. These scores are based on ICRA's estimates of the credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories and maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. If the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality.

### Outlook: Not Applicable

### Liquidity Position: Not Applicable

### Analytical Approach:

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA- Mutual Fund Credit Risk Rating Methodology</a>
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

### About the company:

### Invesco Asset Management (India) Private Limited

Invesco Mutual Fund (erstwhile Religare Mutual Fund) is managed by Invesco Asset Management (India) Private Limited (erstwhile Religare Invesco Asset Management Company Private Limited). The AMC was incorporated in May 2005 as a subsidiary of Religare Securities Limited (RSL), which, in turn, is a wholly-owned subsidiary of Religare Enterprises Limited (REL). The mutual fund was set up in July 2006. The AMC was earlier known as Lotus India Asset Management Company, which was acquired by RSL in December 2008 and its name was subsequently changed to Religare Asset Management Company Limited. US-based Invesco acquired a 49% stake in Religare AMC in September 2012, and the name was changed to Religare Invesco AMC. Religare sold its entire stake in the joint venture to Invesco Limited in April 2016, and the name was again changed to Invesco Asset Management (India) Private Limited. The AMC's average asset base stood at Rs. 23,987 crore for the quarter ending March 31, 2019.

#### **Invesco India Liquid Fund**

Launched in November 2006, Invesco India Liquid Fund is an open-ended income fund with a stated investment objective of generating regular and stable income over short-term by investing predominantly in money market and debt instruments commensurate with low risk and high liquidity. The scheme will invest in Commercial Paper and Bonds upto 91 days maturity of the highest rating A1+/AAA. The fund's assets under management stood at Rs. 6,976 crore with an average residual maturity of less than 2 months as on April 30, 2019.

**Key financial indicators: Not applicable**

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

**Rating history for last three years:**

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	May-19	FY2019	FY2018	FY2017
1	Invesco India Liquid Fund	Short Term	-	-	[ICRA] A1+mfs; assigned	-	-	-

**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](http://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	NA	NA	NA	NA	NA	NA

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### About ICRA Limited:

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For more information, visit [www.icra.in](http://www.icra.in)

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