

August 19, 2019

Up Money Ltd.: Ratings withdrawn for pass through certificates (PTCs) issued under a two-wheeler loan securitisation transaction - Vivriti Markus 06 2019

Summary of Rating action

Sl.	Trust Name	Instrument*	Initial amount (Rs. Crore ¹)	Amount o/s after last surveillance (Rs. Crore)	Current amount o/s (Rs. Crore)	Rating action
1	Vivriti Markus 06 2019	PTC Series A1	6.49	NA	0.00	Provisional [ICRA]A-(SO) Withdrawn
		PTC Series A2	0.46	NA	0.00	Provisional [ICRA]BBB-(SO) Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings for PTC Series A1 and PTC Series A2 issued under Vivriti Markus 06 2019, as tabulated above. The, transaction are backed by two wheeler loan receivables originated by Up Money Ltd.

Vivriti Markus 06 2019 transaction did not get placed and hence there is no outstanding amount against the rated instruments.

Key rating drivers

Credit strengths

N.A.

Credit challenges

N.A.

Description of key rating drivers highlighted above

N.A.

Key rating assumptions

N.A.

Liquidity position

N.A.

¹ 100 lakh = 1 crore = 10 million

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the Company:

UP Money Ltd. (UPL) started operations in November 2014 following the acquisition of Sukhjit Finance Ltd, a company incorporated on February 6, 1995 under the Companies Act, 1956. The company's name was changed to UP Money Ltd w.e.f. March 2, 2015. UPL offers affordable financing for two-wheeler loans and micro, small & medium enterprises (MSMEs), mainly for rural livelihood advancement, with the aim to provide finance for income-generating activities, socio-economic development and financial inclusion.

Its operations are concentrated in Punjab, Haryana and Chandigarh. UPL reported a profit after tax of Rs. 3.16 crore in FY2018 on a total income base of Rs. 21.02 crore with a gearing of 4.29 times and a total asset base of Rs. 115.89 crore as on March 31, 2018. As of December 2018, the portfolio size was Rs. 273.86 crore.

Key financial indicators

	FY2017	FY2018	6M FY2019
Net Worth	4.01	20.66	30.81
Portfolio	16.45	85.28	161.37
Total assets	20.45	115.89	201.23
Total income	4.63	21.02	24.01
Net interest income	3.71	15.65	16.03
Profit before tax	0.94	4.48	4.58
Profit after tax	0.60	3.16	3.20
% PAT/Average total assets	5.87%	4.63%	4.02%
% Return on Net Worth	29.96%	25.59%	24.88%
Gearing	3.75	4.29	4.80
% Gross NPAs	2.80%	0.83%	1.06%
% Net NPAs	1.52%	0.75%	0.96%

Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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)	Date & Rating		Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
				August 2019	July 2019*	-	-	-
Vivriti Markus 06 2019	PTC Series A1	6.49	6.49	Provisional [ICRA]A-(SO) Withdrawn	Provisional [ICRA]A- (SO)	-	-	-
	PTC Series A2	0.46	0.46	Provisional [ICRA]BBB-(SO) Withdrawn	Provisional [ICRA]BBB- (SO)	-	-	-

*Initial Ratings Assigned

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

Trust Name	Instrument Name	Date of Issuance	Coupon Rate	Scheduled Maturity Date*	Amount Rated (Rs. crore)	Current Rating
Vivriti Markus 06 2019	PTC Series A1	June 2019	11.00%	December 2021	6.49	Provisional [ICRA]A-(SO)
	PTC Series A2		13.50%		0.46	Provisional [ICRA]BBB-(SO)

* Scheduled maturity and average life at transaction initiation; May change on account of prepayment

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