

March 17, 2022

## Visage Holdings & Finance Pvt. Ltd.: Ratings withdrawn for PTCs issued under a small business loan receivables securitisation transaction

### Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. Crore)	Previous Rated Amount (Rs. crore)	Current outstanding Amount (Rs. crore)	Rating Action
Vivriti Cordell 01 2020	PTC Series A1	37.22	0.01	0.00	[ICRA]AA+(SO); Withdrawn
	PTC Series A2	1.29	1.29	0.00	[ICRA]AA+(SO); Withdrawn

\*Instrument details are provided in Annexure-1

### Rationale

ICRA has withdrawn the ratings for pass through certificates (PTCs) backed by a pool of small business loan receivables originated by Visage Holdings & Finance Pvt. Ltd. (VHFPL/Kinara), as tabulated above. All the payouts to the investors in the above-mentioned instruments have been made and no further payments are due to the investors.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn. The previous detailed rating rationale of surveillance exercise is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">ICRA's Policy on Withdrawal and Suspension of Credit Rating</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Not Applicable

### About the company

Visage Holdings & Finance Pvt. Ltd. (VHFPL) is a non-deposit taking non-banking financial company (NBFC) incorporated in Delhi in 1996. The current promoters of the company acquired Kinara in September 2011 and commenced lending operations in November 2011. Kinara is focused on offering credit facilities to small businesses under the brand name Kinara Capital. It offers secured (hypothecation of machinery) and unsecured term loans and working capital facilities with a maximum ticket size of Rs. 30 lakh. Currently, the company operates in Karnataka, Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh, Telangana and Puducherry with its head office in Bengaluru. As on September 30, 2021, Kinara was operating in six states through 110 branches and had a managed portfolio of Rs. 928.9 crore.

## Key financial indicators (Ind-AS)

	FY2020	FY2021	H1 FY2022
Total Income (Rs. crore)	221.7	233.0	119.3
PAT (Rs. crore)	18.1	7.5	3.4
Total Managed Assets (Rs. crore)	1,069.7	1,237.7	1,296.39
Gross NPA (%)	6.1%	10.4%*	12.3%*
Net NPA (%)	3.6%	8.2%*	10.4%*

Source: Company, ICRA Research; All ratios as per ICRA calculations

\*Gross non-performing assets (NPAs) and net NPAs, as per Reserve Bank of India (RBI) reporting, were 9.0% and 6.0%, respectively, as on September 30, 2021 and 5.4% and 3.4%, respectively, as on March 31, 2021. Net NPAs, adjusted for the portfolio covered by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme and Emergency Credit Line Guarantee Scheme (ECLGS), stood at 1.1% as on September 30, 2021 and 1.2% as on March 31, 2021

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

**Any other information: None**

## Rating history for past three years

Trust Name	Current Rating (FY2022)				Chronology of Rating History for the Past 3 Years					
	Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating		Date & Rating in FY2021		Date & Rating in FY2020	Date & Rating in FY2019	
				Mar 17, 2022	Nov 18, 2021	Nov 13, 2020	Jun 24, 2020 <sup>^</sup>	Feb 26, 2020*	--	
1 Vivriti Cordell 01 2020	PTC Series A1	37.22	0.00	[ICRA]AA+(SO); Withdrawn	[ICRA]AA+(SO)	[ICRA]A+(SO)	[ICRA]A+(SO)	Provisional [ICRA]A+(SO)	--	
	PTC Series A2	1.29	0.00	[ICRA]AA+(SO); Withdrawn	[ICRA]AA+(SO)	[ICRA]A-(SO)	[ICRA]BBB+(SO)	Provisional [ICRA]BBB+(SO)	--	

\*Initial rating assigned

<sup>^</sup>Final rating assigned

## Complexity level of the rated instrument

Instrument	Complexity Indicator
PTC Series A1	Moderately Complex
PTC Series A2	Moderately Complex

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 analyzing 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, is available on ICRA's website: [www.icra.in](http://www.icra.in)

**Annexure-1: Instrument details**

Trust Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating
Vivriti Cordell 01 2020	PTC Series A1	February 2020	11.15%	December 2024	0.00	[ICRA]AA+(SO); Withdrawn
	PTC Series A2		15.00%		0.00	[ICRA]AA+(SO); Withdrawn

Source: Company

**Annexure-2: List of entities considered for consolidated analysis**

Not Applicable

## ANALYST CONTACTS

**Abhishek Dafria**

+91 22 6114 3440

[abhishek.dafria@icraindia.com](mailto:abhishek.dafria@icraindia.com)

**Samridhhi Chowdhary**

+91 22 6114 3462

[samridhhi.chowdhary@icraindia.com](mailto:samridhhi.chowdhary@icraindia.com)

**Sohil Mehta**

+91 22 6114 3411

[sohil.mehta@icraindia.com](mailto:sohil.mehta@icraindia.com)

**Palak Bhatt**

+91 22 6114 3400

[palak.bhatt@icraindia.com](mailto:palak.bhatt@icraindia.com)

**Rushabh Gohel**

+91 22 6114 3440

[rushabh.gohel@icraindia.com](mailto:rushabh.gohel@icraindia.com)

## RELATIONSHIP CONTACT

**Jayanta Chatterjee**

+91 80 4332 6401

[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto: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](http://www.icra.in)

## ICRA Limited



### Registered Office

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

Tel: +91 11 23357940-45



### Branches



© Copyright, 2022 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](http://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.