

May 04, 2022

Vivriti Capital Private Limited: Ratings withdrawn for PTCs issued under a term loan receivables securitisation transaction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Vivriti CLO 03 2021	PTC Series A1	27.21	NA	0.00	[ICRA]A-(SO); Withdrawn
	PTC Series A2	0.98	NA	0.00	[ICRA]BBB+(SO); Withdrawn

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating for pass through certificates (PTCs) issued under one term loan receivables securitisation transaction originated by Vivriti Capital Private Limited (Vivriti), 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key rating drivers, liquidity position, rating sensitivities have not been captured as the rated instrument is being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

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

About the company

Promoted by Mr. Vineet Sukumar and Mr. Gaurav Kumar in June 2017, VCPL provides diverse debt financing solutions, primarily loans, working capital finance and trade finance to NBFCs and other enterprises.

VCPL has a wholly-owned subsidiary, Vivriti Asset Management Private Limited (VAM), which manages alternative investment funds (AIFs). VAM manages three funds (Vivriti Samarth Bond Fund, Vivriti Short Term Bond Fund and Vivriti India Impact Bond Fund) with combined assets under management (AUM) of Rs. 687 crore as on October 31, 2021 and is in the process of launching more funds in the near term. In Q3 FY2021, VCPL demerged its technology platform to CredAvenue Private Limited (CAPL). In September 2021, CAPL raised Rs. 675 crore from various private equity investors including Lightspeed, Lightrock and TVS Capital. In H1 FY2022, CAPL reported a loss of Rs. 5.3 crore on revenue of Rs. 59.8 crore.

In H1 FY2022, VCPL reported a net profit of Rs. 27.6 crore on total managed assets of Rs. 3,697.2 crore while it reported a net profit of Rs. 14.4 crore on total managed assets of Rs. 2,262.8 crore in FY2021.

Key financial indicators (audited) – IndAS

Vivriti Capital Private Limited (consolidated)	FY2020	FY2021	H1 FY2022 [#] (annualised)
Total income (Rs. crore)	148.9	245.7	218.3
Profit after tax (Rs. crore)	9.6	14.4	27.6
Net worth (Rs. crore)	662.8	781.1	817.9
Total managed assets (Rs. crore)	1,545.1	2,262.8	3,697.2
Return on net worth (%)	2.1%	2.0%	4.9%
Gearing (times)	1.2	1.8	1.4

Source: Company, ICRA Research

[#] Consolidated financials as per ICRA's calculation, based on best available information

Vivriti Capital Private Limited (Standalone)	FY2020	FY2021	H1 FY2022 (annualised)
Total income (Rs. crore)	148.2	225.1	153.3
Profit after tax (Rs. crore)	10.3	30.0	34.0
Net worth (Rs. crore)	663.5	797.1	837.9
AUM (Rs. crore)	1,009.0	1,905.0	2,373.4
Total managed assets (Rs. crore)	1,545.6	2,244.6	2,959.4
RoMA (%)	1.0%	1.6%	2.6%
Return on net worth (%)	2.3%	4.1%	8.3%
Gearing (times)	1.2	1.7	2.5
Gross NPA (%)	0.7%	0.3%	0.4%
Net NPA (%)	0.1%	0.0%	0.1%
CRAR (%)	64.5%	40.3%	31.8%

Source: Company, ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Trust Name	Current Rating (FY2023)				Chronology of Rating History for the Past 3 Years		
		Instrument	Initial Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					May 04, 2022	May 03, 2021	-	-
1	Vivriti CLO 03 2021	PTC Series A1	27.21	0.00	[ICRA]A-(SO); Withdrawn	[ICRA]A-(SO)	-	-
		PTC Series A2	0.98	0.00	[ICRA]BBB+(SO); Withdrawn	[ICRA]BBB+(SO)		

Complexity level of the rated instruments

Trust name	Instrument	Complexity Indicator
Vivriti CLO 03 2021	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 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, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

Trust name	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating
Vivriti CLO 03 2021	PTC Series A1	March 2021	11.25%	June 2022	0.00	[ICRA]A-(SO); Withdrawn
	PTC Series A2		14.00%		0.00	[ICRA]BBB+(SO); Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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