

CredAvenue Everly 03 2021

Originator: Kanakadurga Finance Limited

November 11, 2022

Rating

Transaction	Instrument	Rating ¹	Remarks
CredAvenue Everly 03 2021	Series A1 PTCs	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the above-mentioned instruments issued by CredAvenue Everly 03 2021, backed by four-wheeler loan receivables originated by Kanakadurga Finance Limited (KFL). The rating is withdrawn as all the payouts have been made to the investors in full and there is no amount outstanding as on date.

Detailed description of the key rating drivers

Not applicable

Applicable criteria

[Policy on Withdrawal of ratings](#)

Analytical approach

Not applicable

About the company

KFL was incorporated as a private limited company in 1994 to take over the vehicle financing business of the proprietary concerns floated by the promoters. The company was converted into a public limited company (closely held) in 1996, and the name of the company was changed to its current nomenclature in May 2015. KFL is registered as an asset financing company and a non-deposit-taking non-banking financial company (NBFC) with the Reserve Bank of India (RBI) and is primarily engaged in the business of vehicle financing and gold loans. The company has a presence in the states of Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, Pondicherry, and Gujarat.

Key financial indicators

Brief financials (₹ crore)	FY21 (A)	FY22 (A)	H1FY23
Total income (₹ crore)	112	94	NA
PAT (₹ crore)	11	3	NA
Interest coverage (times)	1.29	1.10	NA
Total assets (₹ crore)	479	550	NA
Net NPA (%)	2.31	3.05	NA
ROTA (%)	2.16	0.65	NA

A: Audited; P: Provisional; NA: Not available.

Status of non-cooperation with previous CRA: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated for this company: Annexure-4

Any other information: No

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Pass-through certificates	-	-	-	-	0.00	Withdrawn

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1.	Pass-through certificates	LT	0.00	-	-	1)CARE A (SO) (20-Oct-21) 2)CARE A- (SO) (25-May-21)	1)Provisional CARE A- (SO) (25-Mar-21)	-

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Not applicable

Annexure-4: Complexity level of the various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1.	Pass-through certificates	Highly complex

Annexure-5: Bank lender details for this company

Not applicable

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. This classification is available at www.careedge.in. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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