

## ICICI Prudential Asset Management Company Limited

August 20, 2021

### Ratings

Scheme Name	Scheme Type	Rating <sup>1</sup>	Rating Action
ICICI Prudential Floating Interest Fund	Open Ended Debt Scheme	CARE AAAMfs [Triple A mfs]	Assigned

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE has assigned the credit quality rating of 'CARE AAAMfs' [Triple A mfs] to ICICI Prudential Floating Interest Fund. This fund is managed by ICICI Prudential Asset Management Company Limited (AMC).

Schemes rated 'CARE AAAMfs' are considered to have highest degree of safety regarding timely receipt of payments from the investments that they have made.

CARE's fund credit quality ratings are opinions on the overall credit quality of specific Debt Mutual Fund scheme. CARE's fund credit quality rating is not a recommendation to purchase, sell, or hold a security / fund. It neither comments on the current market price, suitability for a particular investor nor on the prospective performance of the fund with respect to appreciation, volatility of net asset value (NAV), or yield of the fund. The ratings do not address the funds ability to meet the payment obligations to the investors.

The fund ratings capture fund's overall exposure to default risk. CARE's fund credit quality ratings are based on evaluation of the fund's investment strategy and portfolio credit risk. It also involves evaluation of credit quality of individual assets as well as diversification of portfolio. CARE uses the concept of credit scores, assigned to individual securities, as per credit scoring matrix developed by CARE.

CARE reviews the rated mutual fund scheme on an ongoing basis to support its published rating opinions. As such, monthly reports of the fund are examined. While the fund has to maintain the fund credit score within the benchmark fund scores, in a particular month, if the fund credit score breaches the benchmark, CARE generally provides one month to the asset management company (AMC) to realign the score. The credit score of ICICI Prudential Floating Interest Fund scheme is on the basis of review of last six months performance including July 2021 portfolio which is within the benchmark set by CARE.

**Analytical Approach:** Assessment of Underlying Credit Quality of the Debt Schemes

### Applicable Criteria:

[CARE's Fund Credit Quality Rating Criteria](#)

### About the Fund:

#### ICICI Prudential Floating Interest Fund:

ICICI Prudential Floating Interest Fund was launched by ICICI Prudential Asset Management Company Limited in November 2005. ICICI Prudential Floating Interest Fund is an open ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives). The objective of the scheme is to generate income through investing predominantly in floating rate instruments while maintaining the optimum balance of yield, safety and liquidity. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved. The fund's assets under management stood at Rs.12,560 crore as on July 31, 2021.

### Profile of Mutual Fund & AMC

ICICI Prudential Mutual Fund has been established as a trust under the Indian Trust Act, 1882 by ICICI Bank and Prudential Plc, with ICICI Prudential Trust Limited as the Trustee Company and ICICI Prudential Asset Management Company Limited as the investment manager. ICICI Prudential Asset Management Company Ltd is a joint venture between ICICI Bank (51% holding) (one of the largest private sector bank in India) and Prudential Plc (49% holding) one of United Kingdom's largest players in the financial services sectors.

The AMC has reported average assets under management (AAUM) for schemes of ICICI Prudential Mutual Fund as Rs.4,16,701 crore for the quarter ended June 30, 2021.

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

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Rate	Size of the Issue (Rs. Crore)	Rating assigned along with Rating Outlook
ICICI Prudential Floating Interest Fund	-	-	-	-	CARE AAAmfs [Triple A mfs]

**Annexure-2: Rating History of last three years**

Sr. No	Name of the Instrument / Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	ICICI Prudential Liquid Fund	Open Ended Debt Scheme	-	CARE A1+mfs	1) CARE A1+mfs (02-June-2021)	1) CARE A1+mfs (04-June-2020)	1) CARE A1+mfs (03-July-2019)	1) CARE A1+mfs* (26-03-2019) 2) CARE AAAmfs (06-Jul-18)
2	ICICI Prudential Overnight Fund	Open Ended Debt Scheme	-	CARE AAAmfs	1) CARE AAAmfs (02-June-2021)	1) CARE AAAmfs (29-Sept-2020)	-	-
3	ICICI Prudential Ultra Short Term Fund	Open Ended Debt Scheme	-	CARE AAAmfs	1) CARE AAAmfs (02-June-2021) 2) CARE AAAmfs (07-May-2021)	-	-	-
4	ICICI Prudential Money Market Fund	Open Ended Debt Scheme	-	CARE AAAmfs	1) CARE AAAmfs (26-Jul-2021)	-	-	-
5	ICICI Prudential Floating Interest Fund	Open Ended Debt Scheme	-	CARE AAAmfs	-	-	-	-

\* The rating has been reclassified from CARE AAA mfs to CARE A1+mfs.

**Annexure 3: Complexity Level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Credit Quality Rating	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

### Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**