

Akme Star Housing Finance Ltd

January 25, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BB+; Stable' [Double B Plus; Outlook: Stable] assigned to the bank facilities of **Akme Star Housing Finance Ltd** with immediate effect. The above action has been taken at the request of **Akme Star Housing Finance Ltd** and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Akme Star Housing Finance Ltd. (ASHFL) is a Udaipur-based small-sized housing finance company primarily engaged in the financing of housing loans. ASHFL commenced operations from September, 2009 after getting registered with National Housing Bank. Initially, the company was incorporated as Akme Buildhome Pvt. Ltd. on March 17, 2005. Subsequently, the name of the company was changed to Akme Star Housing Finance Pvt. Ltd. in October, 2009 and its constitution was changed to public limited and name was changed to ASHFL in November, 2009. ASHFL is a part of Udaipur-based 'Akme Group'. Apart from housing finance, the promoter group is also involved in vehicle financing and loan against property through its group companies, viz., Akme Fintrade (I) Ltd. and Akme Fincon Ltd. apart from real estate activities and automobile dealership through other entities of the Group. The company utilizes the branch network of its group companies for generating business and recovery while the portfolio is managed from their Head office at Udaipur. Further, the group entities have made investments in each other.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	3.40	7.06
PAT	1.41	2.90
Interest coverage (times)	5.77	3.34
Total Assets	24.97	54.27
Net NPA (%)	1.07	0.97
ROTA (%)	6.53	7.31

A: Audited

Status of non-cooperation with previous CRA: None

Any other information: None

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

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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

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 credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. 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.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is 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.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn

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 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BB+; Stable (12-Dec-17)	-	-
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BB+; Stable (12-Dec-17)	-	-

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