



'SECURITISATION VOLUME SCALES RECORD HIGH OF ₹2 LAKH CRORE IN FY19'

₹1.28 lakh cr:

Helped by aggressive sell down by HFCs, the direct assignment transactions surged to Rs 1.28 lakh crore from the Rs 49,000 crore in the year-ago period

PORTFOLIO LOAN SELL-DOWNS:

The liquidity crisis in the financial sector "forced NBFCs and HFCs to rely heavily on portfolio loan sell-downs to raise funds" as the on-balance sheet funding avenues were limited especially for the low-rated entities

RELAXATION IN MHP

CRITERIA: The relaxation in the minimum holding period (MHP) criteria for long-tenure loans by the Reserve Bank of India also helped, as it increased the supply of assets in the system

Crisis at non-bank lenders has led securitisation volumes to touch an all-time high of almost Rs 2 lakh crore in fiscal year 2018-19, as liquidity starved entities sold portfolios, a report by domestic ratings agency Icrs said

140%

Volumes of securitisation, where a lender sells a portfolio of future receivables, rose 140% to touch ₹1.99 lakh cr mark

24%

The share of commercial vehicles, construction equipment and car loans in the overall securitisation dipped to 24% from the 37% last year



₹84,000 cr:

Rs 84,000 crore, or 66 per cent of the direct assignment volumes were undertaken by HFCs (housing finance companies), out of which around Rs 38,000 crore happened in the October-December period alone

₹71,000 cr:

The pass through certificate volumes more than doubled to Rs 71,000 crore in financial year 2018-19 from the Rs 35,000 crore in the 2017-18 fiscal

48%:

The share of mortgages in the overall securitisation grew to 48 per cent from the year-ago period's 45 per cent

6%:

Lease rentals got added as a new category and already possesses 6 per cent share of the securitisation volumes