

June 13, 2024

Satin Creditcare Network Limited: Ratings withdrawn for PTCs issued under microfinance loan securitisation transactions

Summary of rating action

| Trust Name | Instrument* | Initial Rated Amount (Rs. Crore) | Amount O/s after Last Surveillance (Rs. crore) | Current Outstanding Amount (Rs. crore) | Rating Action |
|--------------------------|------------------|----------------------------------|--|--|--------------------------|
| Logitech August 2022 | Series A1 PTC | 48.08 | 7.07 | 0.00 | [ICRA]AA-(SO); Withdrawn |
| Nimbus 2022 MFI Bukharin | Series A1 PTC | 64.86 | 9.97 | 0.00 | [ICRA]AA(SO); Withdrawn |
| | Series A2 PTC | 2.32 | 1.98 | 0.00 | [ICRA]A+(SO); Withdrawn |
| Oceana 02 2022 | Series A1(b) PTC | 2.15 | 0.95 | 0.00 | [ICRA]AAA(SO); Withdrawn |

*Instrument details are provided in Annexure I

Rationale

The pass-through certificates (PTCs) are backed by microfinance loan receivables originated by Satin Creditcare Network Limited (Satin; rated [ICRA]A(Stable)). 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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The previous detailed rating rationale is available at this [link](#).

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 originator

Satin, which was set up in 1990 to provide individual business loans to urban shopkeepers, started providing group lending services to the rural poor in 2008. It was registered with the Reserve Bank of India (RBI) as a deposit-taking non-banking financial company (NBFC) under the name, Satin Leasing and Finance Company Limited. Following its conversion into a public limited company in 1994, the company was renamed Satin Creditcare Network Limited. in 2000. It stopped accepting public deposits from November 2004 and the RBI changed its classification to Category B (non-deposit taking) from Category A (deposit taking) in February 2009 and converted it into an NBFC-microfinance institution (NBFC-MFI) in November 2013. The company's microfinance operations are based on the Grameen Bank joint liability group (JLG) model and were spread across 1,236 branches in the country as on March 31, 2024 on a standalone basis and 1,393 branches for the Group as a whole.

As on March 31, 2024, its consolidated assets under management (AUM) stood at Rs. 11,850 crore. On a consolidated basis, it reported a net profit of Rs. 436 crore in FY2024 (total comprehensive income (TCI) of Rs. 442 crore) against Rs. 5 crore in FY2023 (negative TCI of Rs. 16 crore).

Key financial indicators

| Consolidated | FY2022 | FY2023 | FY2024 |
|-----------------------------|---------|---------|---------|
| | Audited | Audited | Audited |
| Total income | 1,381 | 1,559 | 2,241 |
| Profit after tax | 21 | 5 | 436 |
| Gross loan portfolio | 7,617 | 9,115 | 11,850 |
| Gross stage 3 | 7.5% | 3.1% | NA |
| CRAR* | 27.8% | 26.6% | 27.7% |

Source: Company data, ICRA Research; Amount in Rs. Crore

*CRAR on standalone basis

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

| | Trust Name | Current Rating (FY2025) | | | Chronology of Rating History for the Past 3 Years | | | | |
|---|-----------------------------|-------------------------|----------------------------------|--------------------------------|---|-------------------------|-------------------------|---------------------------|-------------------------|
| | | Instrument | Initial Amount Rated (Rs. crore) | Amount Outstanding (Rs. crore) | Date & Rating | Date & Rating in FY2024 | Date & Rating in FY2023 | | Date & Rating in FY2022 |
| | | | | | Jun 13, 2024 | Jan 29, 2024 | Jan 16, 2023 | Oct 06, 2022 | - |
| 1 | Logitech August 2022 | Series A1 PTC | 48.08 | 0.00 | [ICRA]AA-(SO) Withdrawn | [ICRA]AA-(SO) | [ICRA]AA-(SO) | Provisional [ICRA]AA-(SO) | - |

| | Trust Name | Current Rating (FY2025) | | | Chronology of Rating History for the Past 3 Years | | | | |
|---|---------------------------------|-------------------------|----------------------------------|--------------------------------|---|-------------------------|-------------------------|--------------------------|-------------------------|
| | | Instrument | Initial Amount Rated (Rs. crore) | Amount Outstanding (Rs. crore) | Date & Rating | Date & Rating in FY2024 | Date & Rating in FY2023 | | Date & Rating in FY2022 |
| | | | | | Jun 13, 2024 | Jan 29, 2024 | Mar 13, 2023 | Jan 05, 2023 | - |
| 2 | Nimbus 2022 MFI Bukharin | Series A1 PTC | 64.86 | 0.00 | [ICRA]AA(SO) Withdrawn | [ICRA]AA(SO) | [ICRA]AA(SO) | Provisional [ICRA]AA(SO) | - |
| | | Series A2 PTC | 2.32 | 0.00 | [ICRA]A+(SO) Withdrawn | [ICRA]A+(SO) | [ICRA]A+(SO) | Provisional [ICRA]A+(SO) | - |

| | Trust Name | Current Rating (FY2025) | | | Chronology of Rating History for the Past 3 Years | | | | |
|---|-----------------------|-------------------------|----------------------------------|--------------------------------|---|-------------------------|-------------------------|--------------------------|-------------------------|
| | | Instrument | Initial Amount Rated (Rs. crore) | Amount Outstanding (Rs. crore) | Date & Rating | Date & Rating in FY2024 | Date & Rating in FY2023 | | Date & Rating in FY2022 |
| | | | | | Jun 13, 2024 | Jan 29, 2024 | Jan 16, 2023 | Oct 04, 2022 | - |
| 3 | Oceana 02 2022 | Series A1(b) PTC | 2.15 | 0.00 | [ICRA]AAA(SO) Withdrawn | [ICRA]AAA(SO) | [ICRA]A-(SO) | Provisional [ICRA]A-(SO) | - |

Complexity level of the rated instrument

| | Instrument | Complexity Indicator |
|---------------------------------|------------------|----------------------|
| Logitech August 2022 | Series A1 PTC | Moderately Complex |
| Nimbus 2022 MFI Bukharin | Series A1 PTC | Moderately Complex |
| | Series A2 PTC | Moderately Complex |
| Oceana 02 2022 | Series A1(b) PTC | 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 analyzing 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: [Click Here](#)

Annexure I: Instrument details

| Trust Name | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date* | Amount Rated (Rs. Crore) | Current Rating |
|---------------------------------|------------------|-----------------------------|-------------|----------------|--------------------------|--------------------------|
| Logitech August 2022 | Series A1 PTC | September 2022 | 10.00% | June 2024 | 0.00 | [ICRA]AA-(SO); Withdrawn |
| Nimbus 2022 MFI Bukharin | Series A1 PTC | December 2022 | 10.25% | September 2024 | 0.00 | [ICRA]AA(SO); Withdrawn |
| | Series A2 PTC | | 13.00% | | 0.00 | [ICRA]A+(SO); Withdrawn |
| Oceana 02 2022 | Series A1(b) PTC | September 2022 | 14.00% | May 2024 | 0.00 | [ICRA]AAA(SO); Withdrawn |

Source: Company; *Scheduled PTC maturity date at transaction initiation; may change on account of prepayments

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Abhishek Dafria

+91 22 6114 3440

abhishek.dafria@icraindia.com

Sumit Pramanik

+91 22 6114 3462

sumit.pramanik@icraindia.com

Rushabh Gohel

+91 22 6114 3420

rushabh.gohel@icraindia.com

Sachin Joglekar

+91 22 6114 3470

sachin.joglekar@icraindia.com

Alwin Thankachan

+91 22 6114 3411

alwin.thankachan@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

Shivkumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



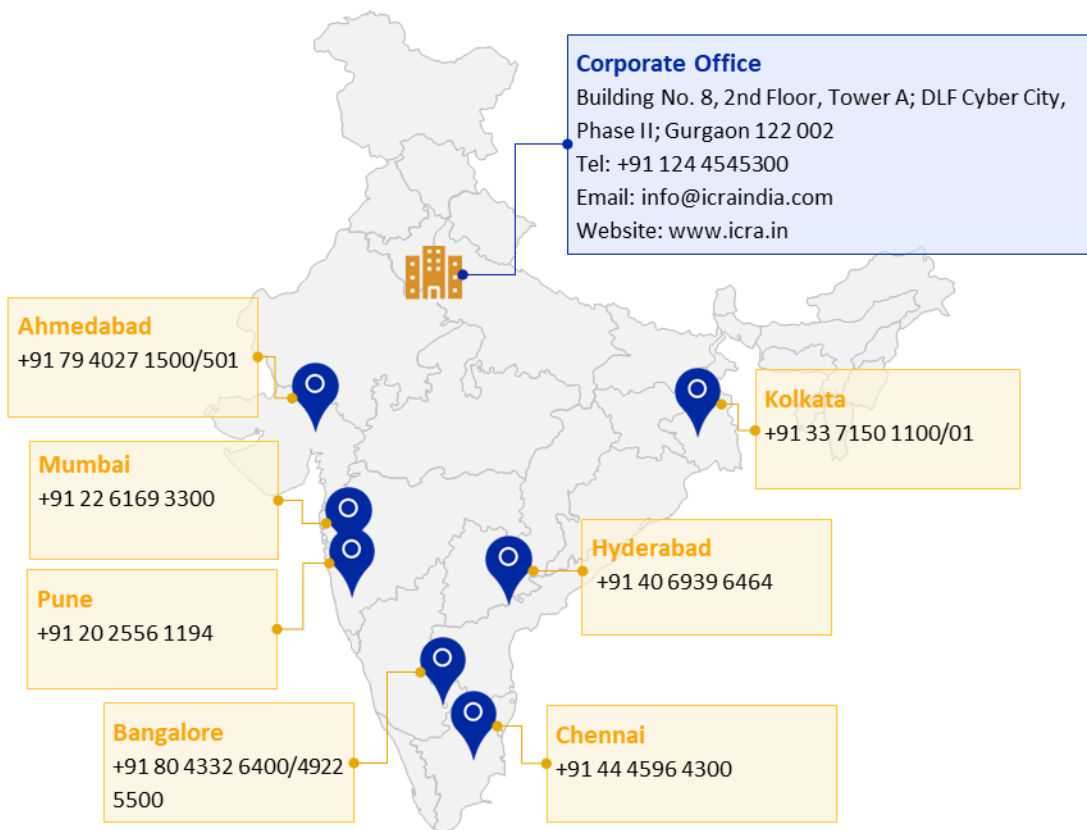
Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.