

September 02, 2024

Satin Creditcare Network Limited: Ratings withdrawn for PTCs issued under six microfinance loan securitisation transactions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 Rated Amount (Rs. crore)	Rating Action
Lotus 2022	Series A1 PTC	64.19	23.38	0.00	[ICRA]AA-(SO); Withdrawn
SAINT BEN 2022	Series A1(b) PTC	2.60	1.51	0.00	[ICRA]AAA(SO); Withdrawn
Oceana 05 2022	Series A1 PTC	28.28	4.58	0.00	[ICRA]AA-(SO); Withdrawn
Orchard 2022	Series A1 PTC	74.44	14.44	0.00	[ICRA]AA-(SO); Withdrawn
Pride January 2023	Series A1 PTC	78.60	19.71	0.00	[ICRA]AA-(SO); Withdrawn
Trison 2022	Series A1 PTC	26.72	9.20	0.00	[ICRA]A-(SO); Withdrawn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/Originator; rated [ICRA]A (Stable)/[ICRA]A1). 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position, and rating sensitivities have not been captured as the ratings assigned to the instruments have been withdrawn. The previous detailed rating rationales of surveillance exercises are available at the following links:

For Lotus 2022 and Trison 2022: [Link](#)

For SAINT BEN 2022: [Link](#)

For Oceana 05 2022, Orchard 2022 and Pride January 2023: [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, it 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

Satin (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%	2.5%
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

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022
						Sep 02, 2024	Jan 29, 2024		
1	Lotus 2022	Series A1 PTC	64.19	0.00	[ICRA]AA-(SO) Withdrawn	[ICRA]AA-(SO)	[ICRA]AA-(SO)	Provisional [ICRA]AA-(SO)	-

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
									Sep 02, 2024
2	SAINT BEN 2022	Series A1(b) PTC	2.60	0.00	[ICRA]AAA(SO) Withdrawn	[ICRA]AAA(SO)	[ICRA]A-(SO)	Provisional [ICRA]A-(SO)	-

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
									Sep 02, 2024
3	Oceana 05 2022	Series A1 PTC	28.28	0.00	[ICRA]AA-(SO) Withdrawn	[ICRA]AA-(SO)	[ICRA]AA-(SO)	Provisional [ICRA]AA-(SO)	-

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating		Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
					Sep 02, 2024	May 06, 2024	Aug 25, 2023	Mar 23, 2023	-
4	Orchard 2022	Series A1 PTC	74.44	0.00	[ICRA]AA-(SO) Withdrawn	[ICRA]AA-(SO)	[ICRA]AA-(SO)	Provisional [ICRA]AA-(SO)	-

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating		Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
					Sep 02, 2024	May 06, 2024	Jul 04, 2023	Mar 28, 2023	-
5	Pride January 2023	Series A1 PTC	78.60	0.00	[ICRA]AA-(SO) Withdrawn	[ICRA]AA-(SO)	[ICRA]AA-(SO)	Provisional [ICRA]AA-(SO)	-

S. No.	Trust Name	Instrument	Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years				
			Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating	Date & Rating in FY2024		Date & Rating in FY2023	Date & Rating in FY2022
						Sep 02, 2024	Jan 29, 2024	Apr 24, 2023	Dec 30, 2022
6	Trison 2022	Series A1 PTC	26.72	0.00	[ICRA]A-(SO) Withdrawn	[ICRA]A-(SO)	[ICRA]A-(SO)	Provisional [ICRA]A-(SO)	-

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Lotus 2022	Series A1 PTC	Moderately Complex
SAINT BEN 2022	Series A1(b) PTC	Moderately Complex
Oceana 05 2022	Series A1 PTC	Moderately Complex
Orchard 2022	Series A1 PTC	Moderately Complex
Pride January 2023	Series A1 PTC	Moderately Complex
Trison 2022	Series A1 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	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Current Rated Amount (Rs. crore)	Current Rating
Lotus 2022	Series A1 PTC	December 30, 2022	10.50%	September 15, 2024	0.00	[ICRA]AA-(SO); Withdrawn
SAINT BEN 2022	Series A1(b) PTC	December 30, 2022	12.09%	September 17, 2024	0.00	[ICRA]AAA(SO); Withdrawn
Oceana 05 2022	Series A1 PTC	February 28, 2023	10.00%	November 20, 2024	0.00	[ICRA]AA-(SO); Withdrawn
Orchard 2022	Series A1 PTC	March 23, 2023	11.00%	January 17, 2025	0.00	[ICRA]AA-(SO); Withdrawn
Pride January 2023	Series A1 PTC	March 21, 2023	10.10%	November 18, 2024	0.00	[ICRA]AA-(SO); Withdrawn
Trison 2022	Series A1 PTC	December 23, 2022	11.00%	September 17, 2024	0.00	[ICRA]A-(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Abhishek Dafria

+91 22 6114 3440

abhishek.dafria@icraindia.com

Sachin Joglekar

+91 22 6114 3470

sachin.joglekar@icraindia.com

Sumit Pramanik

+91 22 6114 3462

sumit.pramanik@icraindia.com

Rushabh Gohel

+91 22 6114 3450

rushabh.gohel@icraindia.com

Sheetal Nayak

+91 22 6114 3420

sheetal.nayak@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3304

shivakumar@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.