November 02, 2026

Vedika Credit Capital Ltd: Rating reaffirmed for PTCs issued under a microfinance loan receivables securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial amount rated (Rs. crore)	Amount O/s after last surveillance (Rs. crore)	Current amount rated (Rs. crore)	Rating action	Financial sector regulator#
Fury 2025	PTC Series A1	36.17	NA	11.42	[ICRA]A-(SO); reaffirmed	RBI

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The pass-through certificates (PTCs) are backed by a pool of microfinance loan receivables originated by Vedika Credit Capital Ltd {Vedika/Originator). Vedika is also the servicer for the rated transaction.

The rating has been reaffirmed on account of the build-up of the credit enhancement cover over the future PTC payouts. The rating draws comfort from the fact that the breakeven collection efficiency is comfortably lower compared to the actual collection levels observed in the pool till the October 2026 payout month.

Pool performance summary

Parameters	Fury 2025
Payout month	October 2026
Months post securitisation	16
Pool amortisation	61.6%
PTC Series A1 amortisation	68.4%
Cumulative collection efficiency[1]	99.9%
Monthly collection efficiency	99.9%
Loss-cum-30+ dpd (dpd[2]; % of initial pool)	0.1%
Loss-cum-90+ dpd[3] (% of initial pool)	0.0%
Cumulative cash collateral (CC) utilisation	0.00%
CC available (as % of balance pool)	26.0%
Excess interest spread (EIS[4]; % of balance pool): PTC Series A1	9.9%
Principal subordination (% of balance pool): PTC Series A1	26.0%
Breakeven collection efficiency (% of balance pool): PTC Series A1	45.3%

[1] (Cumulative current and overdue collections till date)/(Cumulative billing till date + Opening overdue at the start of the transaction)

[2] Inclusive of unbilled and overdue principal portion of delinquent contracts overdue by more than 30 days, as a % of Initial pool principal

[3] Inclusive of unbilled and overdue principal portion of delinquent contracts overdue by more than 90 days, as a % of Initial pool principal

[4] (Pool cash flows – Cash flows to PTC investors – Originator's residual share)/Pool principal outstanding

Transaction structure

As per the transaction structure, the monthly cash flow schedule comprises the promised interest payout. The principal is expected to be paid on a monthly basis (100% of the pool principal billed) but is promised on the final maturity date. The residual cash flow available, after making the promised and expected payments, shall flow back to PTC Series A1 on a monthly basis. Any prepayment in the pool would be used for the prepayment of PTC Series A1 principal. However, on the occurrence of predefined trigger events, the residual EIS every month shall be utilised for accelerating the principal payment due to PTC Series A1.

Key rating drivers and their description

Credit strengths

Build-up of credit enhancement – The rating factors in the build-up in the credit enhancement with the cash collateral (CC) increasing to 26.0% of the balance pool principal from 10.0% at the time of securitisation. Credit support is also available through subordination/over-collateralisation of 26.0% for PTC Series A1 and excess interest spread (EIS) of 9.9% of the balance pool principal for PTC Series A1. Further, there have been no instances of cash collateral utilisation for the pool till date owing to presence of EIS in the transaction.

Healthy pool performance – The pool has shown healthy collections till date with monthly collections upwards of 99% in all months post securitisation and cumulative collection efficiency of 99.9% as on October 2026 payout month.

Servicing capability of Vedika – The company has adequate processes for servicing the loan accounts in the securitised pool. It has a long track record of regular collections and recoveries across geographies and multiple economic cycles.

Credit challenges

High state concentration: The pool has high geographical concentration with the top 3 states, viz Bihar, West Bengal and Assam contributing ~76% to the balance pool principal amount. The pool's performance would thus be exposed to any state-wide disruption that may occur due to natural calamities, political events, etc.

Risks associated with lending business – The pool's performance would remain exposed to macro-economic shocks, business disruptions and natural calamities that may impact the income-generating capability of the borrowers and their ability to make timely repayments of their loans. The performance of microfinance loans would also be exposed to political and communal risks.

Vulnerable asset quality in microfinance sector – The microfinance sector has seen lower collections and elevated delinquencies on account of borrower overleveraging and attrition in collection teams in the past.

Key rating assumptions

ICRA's cash flow modelling for rating securitisation transactions involves the simulation of potential losses, delinquencies and prepayments in the pool. The losses and prepayments are assumed to follow a log-normal distribution. The assumptions for the losses and coefficient of variation are considered on the basis of the values observed from the analysis of the past performance of the Originator's loan portfolio as well as the characteristics of the specific pool being evaluated. The resulting collections from the pool, after incorporating the impact of the losses and prepayments, are accounted for in ICRA's cash flow model, in accordance with the cash flow waterfall of the transaction.

For the current pool, ICRA has estimated the shortfall in the pool principal collection during its tenure at 1.75% of the initial pool principal with certain variability around it. The average prepayment rate for the underlying pool is modelled in the range of 3.0% to 9.0% per annum. Various possible scenarios have been simulated at stressed loss levels and prepayment rates and the incidences of default to the investor as well as the extent of losses are measured after factoring in the credit enhancement to arrive at the final rating for the instrument.

Details of key counterparties

The key counterparties in the rated transaction are as follows:

Transaction name	Fury 2025
Originator	Vedika Credit Capital Ltd.
Servicer	Vedika Credit Capital Ltd.
Trustee	Catalyst Trusteeship Limited
CC Holding Bank	Bank of Maharashtra
Collection and payout account Bank	ICICI Bank Limited

Liquidity position: Superior

The liquidity for PTC Series A1 is superior after factoring in the credit enhancement available to meet the promised payout to the investor. The total credit enhancement would be more than ~13.00 times the estimated loss in the pool.

Rating sensitivities

Positive factors – The sustained strong collection performance of the underlying pool of contracts leading to lower-than-expected delinquency levels, and an increase in the cover available for future investor payouts from the credit enhancement would result in a rating upgrade.

Negative factors – The sustained weak collection performance of the underlying pool of contracts leading to higher-than-expected delinquency levels and higher credit enhancement utilisation levels, would result in a rating downgrade. Weakening in the credit profile of the servicer (Vedika) could also exert pressure on the rating.

Analytical approach

The rating action is based on the performance of the pool till the October 2026 payout month (September 2026 collection month), the present delinquency profile of the pool, the credit enhancement available in the pool, and the performance expected over the balance tenure of the pool.

Analytical approach	Comments
Applicable rating methodologies	Securitisation Transactions
Parent/Group support	Not applicable
Consolidation/Standalone	Not applicable

About the originator

Vedika Credit Capital Ltd is a Non-Deposit taking, Non-Banking Finance Company. The Company was originally registered as a Private Limited Company but was later converted into a Public Limited Company in November 1995. It was recognized and re-registered to carry out the business of Non-Banking Finance Company with approval from Reserve Bank of India in March 1998. Until February 2004 the company was involved in stock broking activities with its earlier owners. In February 2004, its present owners who stopped stock broking activities and started finance activities purchased the company. The purchasers of the Company were carrying out financing activity through Sole Proprietorship form of business organization. All the business thereafter was diverted to Vedika. Since 2007, the company has been into Micro Finance products like Joint Liability Groups loans and Individual Loans. As of Q1 FY2027, the company's AUM stood at Rs. 1,841 crore.

Key financial indicators

Vedika Credit capital Ltd.	FY2025	FY2026	Q1FY2027*
Total income	265.6	323.72	87.7
Profit after tax	30.8	35.53	11.65
Total managed assets	477.79	449.41	449.64
Assets under management (AUM)	1452.3	1780.92	1840.83
CRAR	29.70%	24.57%	25.17%
Gross stage 3	2.10%	1.33%	1.24%

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; *Provisional numbers*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust name	Current rating (FY2027)			Chronology of rating history for the past 3 years				
	Instrument	Initial amount rated (Rs. crore)	Current amount rated (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026		Date & rating in FY2025	Date & rating in FY2024
				November 02, 2026	November 12, 2025	June 30, 2025	-	-
Fury 2025	PTC Series A1	36.17	11.42	[ICRA]A-(SO)	[ICRA]A-SO)	Provisional [ICRA]A-(SO)	-	-

Complexity level of the rated instrument

Instrument	Complexity indicator
PTC Series A1	Highly 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 analysing 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 are 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 Amount Rated (Rs. crore)	Current Rating	Financial sector regulator#
Fury 2025	PTC Series A1	June 25, 2025	13.00%	April 05, 2028	11.42	[ICRA]A-(SO)	RBI

Source: Company

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Annexure II: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

Manushree Saggar
+91 124 4545 316
manushrees@icraindia.com

Sachin Joglekar
+91 22 6114 3470
sachin.joglekar@icraindia.com

Mrugesh Trivedi
+91 22 6114 3436
mrugesh.trivedi@icraindia.com

Shruti Jain
+91 22 6114 3414
shruti.jain2@icraindia.com

Tina Parekh
+91 22 6114 3455
tina.parekh@icraindia.com

RELATIONSHIP CONTACT

Mr. L Shivakumar
+91 22 6169 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.

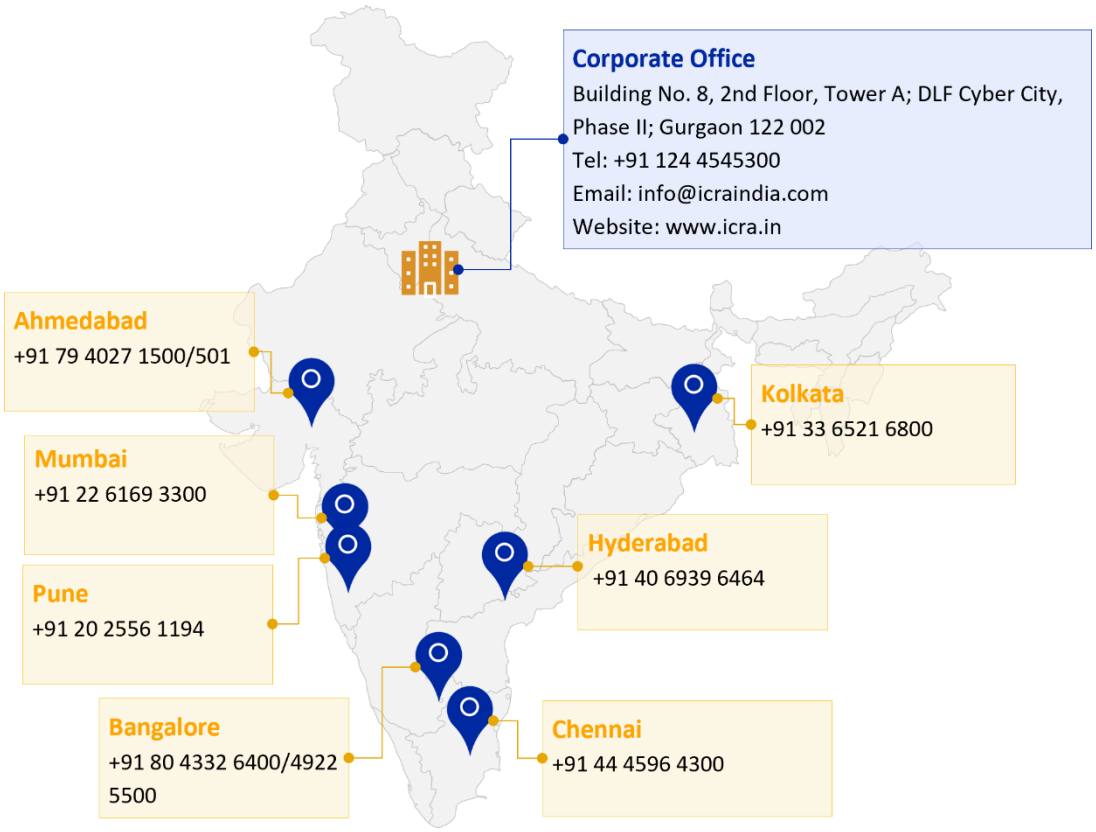
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



© Copyright, 2026 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.