

October 30, 2023

ASA International India Microfinance Limited: Rating withdrawn for PTC backed by microfinance loan receivables transactions

Summary of rating action

| Trust Name | Instrument* | Initial Amount Rated (Rs. crore) | Amount Outstanding after Last Surveillance (Rs. crore) | Current Amount Outstanding (Rs. crore) | Rating Action | |
|--------------|---------------|--|--|--|-----------------------------|--|
| Lily 06 2022 | PTC Series A1 | 7.62 | 7.62 | 0.00 | [ICRA]BBB(SO); Withdrawn | |

^{*}Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under the microfinance loan securitisation transactions originated by ASA International India Microfinance Limited (ASA) (rated [ICRA]BB+(Negative)), as tabulated above. All the payouts to the investors in the above-mentioned instrument 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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn. The detailed rating rationale of the previous rating exercise is available at the following link:

Lliy 06 2022 – <u>Click here</u>

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

ASA International India Microfinance Limited (ASA) is a subsidiary of ASA International. ASA International Group plc is listed on the London Stock Exchange. ASA India started its microfinance operations in July 2008. Its corporate and registered office is in Kolkata (West Bengal). ASA India's lending model is based on individual liability without any group guarantee mechanism. As on September 30, 2022, it operated through a network of 341 branches, spread across 56 districts in 7 states in India.

Key financial indicators

| | FY2021 | FY2022 | FY2023 | |
|----------------------|---------|---------|--------|--|
| Total income | 210.1 | 211.5 | 168.6 | |
| Profit after tax | (62.4) | (132.6) | 16.0 | |
| Total managed assets | 1,300.5 | 758.7 | 393.7 | |
| Gross NPA | 19.6% | 9.9% | 27.6% | |
| Net NPA | 13.5% | 2.8% | 15.1% | |

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

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Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

| | Current Rating (FY2024) | | | | Chronology of Rating History for the Past 3 Years | | | |
|--------------|-------------------------|--------------------------------|--------------------------------------|-----------------------------|---|---------------------------|-------------------------------|-------------------------------|
| Trust Name | Instrument | Amount Rated (Rs. crore) | Amount Outstanding (Rs. crore) | Date & Rating | Date & Rating in FY2023 | | Date & Rating in FY2022 | Date & Rating in FY2021 |
| | | (, | | Oct 30, 2023 | Oct 19, 2022 | July 14, 2022 | - | - |
| Lily 06 2022 | PTC Series A1 | 7.62 | 0.00 | [ICRA]BBB(SO); Withdrawn | [ICRA]BBB(SO) | Provisional [ICRA]BBB(SO) | - | - |

Complexity level of the rated instruments

| Trust Name | Instrument | Complexity Indicator | | |
|--------------|---------------|----------------------|--|--|
| Lily 06 2022 | PTC Series A1 | 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 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, is available on ICRA's website Click Here

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Annexure I: Instrument details

| т | Trust Name | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|---|--------------|--------------------|--------------------------------|-------------|---------------|--------------------------------|-------------------------------|
| | Lily 06 2022 | PTC Series A1 | July 2022 | 13.25% | March 2024 | 0.00 | [ICRA]BBB(SO); Withdrawn |

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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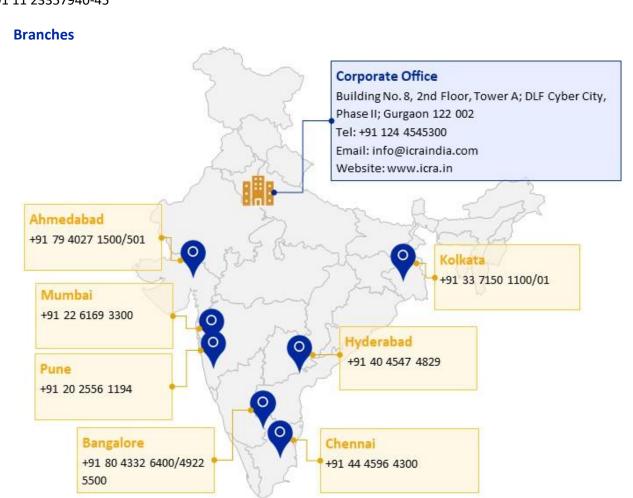


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