

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ASA International India Microfinance Limited: Rating withdrawn for PTC backed by microfinance loan receivables transactions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Lily 06 2022	PTC Series A1	7.62	7.62	0.00	[ICRA]BBB(SO); Withdrawn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ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under the microfinance loan securitisation transactions originated by ASA International India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liquidity position, and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn.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:

Lily 06 2022 – [Click here](#)

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust Name	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years			
	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](#)

Annexure I: Instrument details

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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Branches



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