

April 13, 2026

## Satin Housing Finance Limited: Rating reaffirmed; rating simultaneously reaffirmed and withdrawn for matured NCDs

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based bank facilities (others)	700.0	700.0	[ICRA]A- (Stable); reaffirmed
Subordinated programme	25.0	25.0	[ICRA]A- (Stable); reaffirmed
NCD programme	75.0	75.0	[ICRA]A- (Stable); reaffirmed
NCD programme	25.0	0.0	[ICRA]A- (Stable); reaffirmed and withdrawn
<b>Total</b>	<b>825.0</b>	<b>800.0</b>	

\*Instrument details are provided in Annexure I; NCD – Non-convertible debentures

### Rationale

The rating factors in Satin Housing Finance Limited's (Satin HFL) parentage; it is a wholly-owned subsidiary of Satin Creditcare Network Limited (SCNL; rated [ICRA]A (Stable)/[ICRA]A1). Apart from regular funding support (debt and equity) from SCNL, it benefits from board-level guidance in the form of common directors, including Mr. H P Singh (promotor of SCNL). The rating also considers Satin HFL's adequate capitalisation profile with a capital-to-risk weighted assets ratio (CRAR) of 62.0% and a managed gearing<sup>1</sup> of 2.2 times as on December 31, 2025, supported by regular equity infusions by SCNL. The most recent infusion was Rs. 100 crore in 9M FY2026 (Rs. 70 crore in FY2025). ICRA expects that SCNL will continue to support Satin HFL's growth plans in the form of board-level guidance and funding (debt and equity), as and when required.

The rating is, however, constrained by Satin HFL's moderate asset quality and earnings profile. The company's asset quality deteriorated in FY2025 and 9M FY2026 with gross non-performing assets (GNPAs) rising to 3.1% as on December 31, 2025 (2.8% as on March 31, 2025) from 0.8% as on March 31, 2024 on account of field-level operational challenges. Given the pace of growth and the relatively riskier borrower profile of the low-and-assessed-income segments, Satin HFL remains exposed to volatility in the asset quality. ICRA takes note of the corrective measures being taken by the company, including the appointment of dedicated collections staff at branches, though the outcome remains to be seen.

Satin HFL's moderate earnings profile is characterised by relatively lower interest margins and elevated operating expenses. The company reported a modest profit after tax (PAT) of Rs. 4 crore in 9M FY2026, translating to 0.4% of average managed assets (AMA; Rs. 4 crore and 0.4%, respectively, in FY2025). ICRA takes note of Satin HFL's plan to scale up the relatively higher-yielding micro housing loan (HL) and micro loan against property (LAP) products, which shall help improve yields and margins. The company's ability to contain the credit costs while improving the margins and operating efficiency will be key for a sustained rise in its profitability. ICRA expects a gradual improvement in the company's earnings profile as it continues to scale up its assets under management (AUM) by 25-30% per annum over the near-to-medium term.

ICRA has simultaneously reaffirmed and withdrawn the rating for the Rs. 25-crore non-convertible debentures as instrument has been redeemed with no amount outstanding against the same. This is in accordance with ICRA's policy on the withdrawal of credit rating

<sup>1</sup> Managed gearing = (On-book debt + Off-book portfolio)/Net worth

The Stable outlook on the long-term rating reflects ICRA's opinion that Satin HFL will be able to maintain a steady credit profile and adequate capitalisation, while expanding its scale of operations, with continued support from the parent in the form of equity and debt funding.

## Key rating drivers and their description

### Credit strengths

**Credit profile supported by parentage** – The company benefits from board-level guidance from its parent – SCNL. Further, it receives financial support in the form of capital infusions from SCNL, along with debt funding lines. ICRA takes comfort from the fact that SCNL does not intend to reduce its stake in Satin HFL in the near-to-medium term and is expected to continue supporting the company by way of board-level guidance and funding. Further, Satin HFL can potentially leverage SCNL's fairly diversified lending relationships to support its growth plans.

**Adequate capitalisation** – Satin HFL remains adequately capitalised, supported by regular capital infusions by SCNL. Satin HFL received Rs. 100 crore of equity capital in 9M FY2026 from SCNL (Rs. 70 crore in FY2025). The company's CRAR of 62.0%, as on December 31, 2025, was well above the regulatory requirement while its managed gearing stood at 2.2 times (2.5 times as on March 31, 2025). ICRA expects Satin HFL to remain adequately capitalised, supported by regular capital infusions by SCNL.

### Credit challenges

**Moderate asset quality and earnings profile** – The company's asset quality deteriorated in FY2025 and 9M FY2026 with GNPA's rising to 3.1% as on December 31, 2025 (2.8% as on March 31, 2025) from 0.8% as on March 31, 2024 on account of field-level operational challenges. This apart, the company was holding repossessed assets (net) of ~Rs. 6 crore (0.7% of on-book portfolio) as on December 31, 2025. Given the pace of growth and the relatively riskier borrower profile of the low-and-assessed-income segments, Satin HFL remains exposed to volatility in the asset quality. ICRA takes note of the corrective measures being taken by the company, including the appointment of dedicated collections staff at branches, though the outcome is yet to be seen. The company's ability to sustainably improve its asset quality and contain slippages remains monitorable.

Apart from the increase in credit costs amid the deterioration in the asset quality, the company's yield on loans and interest margins declined in 9M FY2026. This can be attributed to the purchase of the relatively lower-yielding housing loan portfolio by Satin HFL to comply with the principal business criteria applicable to housing finance companies. Further, the company's operating efficiency, though improving, remains moderate. It reported a modest PAT of Rs. 4 crore in 9M FY2026, translating to 0.4% of AMA (Rs. 4 crore and 0.4%, respectively, in FY2025), which was supported by upfront income from direct assignment transactions. ICRA takes note of the company's plan to scale up the relatively higher-yielding micro-HL and micro-LAP products, which shall help improve yields and margins. Satin HFL's ability to improve the margins and operating efficiency will be key for a sustained rise in its profitability.

**Unseasoned portfolio with relatively vulnerable borrower profile** – Satin HFL started operations in February 2018 and it scaled up its AUM to Rs. 1,101 crore as on December 31, 2025 (Rs. 920 crore as on March 31, 2025). Given its nascent stage of operations and high pace of growth (compound annual growth rate (CAGR) of ~43% during March 2020 to December 2025), Satin HFL's portfolio remains unseasoned. Further, the operations remain geographically concentrated with the top 3 states constituting 68% of AUM as on December 31, 2025 (74% as on March 31, 2025).

Satin HFL operates in the affordable housing finance segment. It offers home loans (HLs) and LAP to a relatively vulnerable borrower segment, given their low-to-middle-income profile. Most of the borrowers work in small private enterprises or proprietorships and remain vulnerable to economic cycles. While losses on default are expected to be limited, considering the secured nature of the portfolio with moderate loan-to-value (LTV) ratios (average LTV of 50-60%), asset quality indicators shall remain volatile. The company's ability to manage the asset quality across cycles, especially in the relatively new micro-LAP and micro-HL segments and achieve recoveries from overdue accounts remains monitorable.

## Liquidity position: Adequate

Satin HFL's liquidity profile remains adequate with on-book liquidity of Rs. 77 crore as on December 31, 2025, as per its provisional asset-liability management (ALM) statement. Apart from this, it had sanctioned unutilised funding lines of Rs. 70 crore as on December 31, 2025. These, along with scheduled collections of Rs. 281 crore, are sufficient to meet the scheduled debt obligations of Rs. 271 crore over the 12-month period of January 2026 to December 2026. ICRA expects support from SCNL to be forthcoming if required.

## Rating sensitivities

**Positive factors** – Healthy growth in Satin HFL's scale of operations, with an improvement in its profitability profile, while maintaining prudent capitalisation and asset quality could positively impact the rating. Also, an improvement in SCNL's credit profile could positively impact the rating.

**Negative factors** – A material change in the expected support from SCNL and/or a deterioration in the parent's credit profile could negatively impact the rating. Further, pressure on the rating could arise on a sustained deterioration in the scale and/or asset quality, thereby weakening the profitability profile, or on material weakening of the capitalisation profile.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Non-banking Finance Companies Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	The rating factors in the high likelihood of support from SCNL (parent company), given the shared brand name, and the operational and financial support being extended to Satin HFL.
Consolidation/Standalone	Standalone

## About the company

Satin HFL is a non-banking financial company-housing finance company (NBFC-HFC) and a wholly-owned subsidiary of SCNL. It offers HFLs, LAP, micro-HFLs and micro-LAP. It had operations in 22 states as on December 31, 2025 and reported an AUM of Rs. 1,101 crore. On a standalone basis, it reported a net profit of ~Rs. 4 crore in FY2025 (total comprehensive income (TCI) of Rs. 1 crore) against Rs. 9 crore in FY2024 (TCI of negative Rs. 15 crore). It reported a profit after tax (PAT) of ~Rs. 4 crore and TCI of Rs. 4 crore in 9M FY2026.

SCNL is an NBFC-microfinance institution (NBFC-MFI), primarily offering joint liability group (JLG) loans to women. It had 1,987 branches spreads across 26 states and 5 Union Territories, on a consolidated basis, as on December 31, 2025. Apart from Satin HFL, SCNL has three wholly-owned subsidiaries – Satin Finserv Limited, Satin Technologies Limited and Satin Growth Alternatives Limited.

## Key financial indicators (audited)

Satin Housing Finance Limited	FY2024	FY2025	9M FY2026^
Total income	92	115	109
PAT	9	4	4
Total managed assets	813	1,017	1,256
Return on managed assets	1.3%	0.4%	0.4%
Managed gearing (times)	2.8	2.5	2.2
Gross NPA	0.8%	2.8%	3.1%
CRAR	48.7%	52.3%	62.0%

Source: Company, ICRA Research; All ratios as per ICRA's calculations and estimates; Amount in Rs. crore; ^Limited review financials for 9M FY2026

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
	Type	FY2027		FY2026		FY2025		FY2024	
		Amount rated (Rs. crore)	April 13, 2026	Date	Rating	Date	Rating	Date	Rating
<b>Subordinated bonds/Debt</b>	Long term	25.00	[ICRA]A-(Stable)	Apr-15-2025	[ICRA]A-(Stable)	Sep-02-2024	[ICRA]A-(Stable)	Mar-20-2024	[ICRA]A-(Stable)
						Dec-24-2024	[ICRA]A-(Stable)	-	-
						Feb-04-2025	[ICRA]A-(Stable)	-	-
<b>NCD programme</b>	Long term	50.00	[ICRA]A-(Stable)	Apr-15-2025	[ICRA]A-(Stable)	Sep-02-2024	[ICRA]A-(Stable)	-	-
						Dec-24-2024	[ICRA]A-(Stable)	-	-
						Feb-04-2025	[ICRA]A-(Stable)	-	-
<b>NCD programme</b>	Long term	25.00	[ICRA]A-(Stable)	Apr-15-2025	[ICRA]A-(Stable)	Sep-02-2024	[ICRA]A-(Stable)	-	-
						Dec-24-2024	[ICRA]A-(Stable)	-	-
						Feb-04-2025	[ICRA]A-(Stable)	-	-
<b>NCD programme</b>	Long term	25.00	[ICRA]A-(Stable); withdrawn	Apr-15-2025	[ICRA]A-(Stable)	Sep-02-2024	[ICRA]A-(Stable)	-	-
						Dec-24-2024	[ICRA]A-(Stable)	-	-
						Feb-04-2025	[ICRA]A-(Stable)	-	-
<b>Fund-based bank facilities (others)</b>	Long term	700.00	[ICRA]A-(Stable)	Apr-15-2025	[ICRA]A-(Stable)	Sep-02-2024	[ICRA]A-(Stable)	Dec-27-2023	[ICRA]A-(Stable)
						Dec-24-2024	[ICRA]A-(Stable)	Mar-20-2024	[ICRA]A-(Stable)
						Feb-04-2025	[ICRA]A-(Stable)	Mar-20-2024	[ICRA]A-(Stable)

**Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026**

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$) )	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** 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.

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based bank facilities (others)	Simple
NCD programme	Simple
Subordinated debt	Simple

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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE02YC07018	NCD programme	Aug-30-2024	10.90%	Feb-27-2026	25.0	[ICRA]A- (Stable); withdrawn
INE02YC07026	NCD programme	Sep-27-2024	8.93%	Sep-27-2027	25.0	[ICRA]A- (Stable)
NA	NCD – Yet to be issued	NA	NA	NA	50.0	[ICRA]A- (Stable)
INE02YC08016	Subordinated debt	Dec-17-2019	14.00%	Dec-31-2026	20.0	[ICRA]A- (Stable)
NA	Subordinated debt – Yet to be issued	NA	NA	NA	5.0	[ICRA]A- (Stable)
NA	Long-term bank facilities (others)	Mar 2019 to Mar 2025	8.00% to 14.50%	Oct 2025 to Jan 2034	700.0	[ICRA]A- (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

### Annexure III: List of entities considered for consolidated analysis

Not applicable

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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.

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### Branches



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