

April 27, 2026<sup>(Revised)</sup>

## Satin Creditcare Network Limited: Rating upgraded for PTC issued under a microfinance loan receivables securitisation transaction

### Summary of rating action

Trust name	Instrument*	Initial rated amount (Rs. crore)	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Bougainvillea 2024	Series A1 PTC	50.00	50.00	26.14	[ICRA]AA-(SO); upgraded from [ICRA]A-(SO)

\*Instrument details are provided in Annexure II

### Rationale

The pass-through certificates (PTCs) are backed by microfinance loan receivables originated by Satin Creditcare Network Limited (SCNL/Originator; rated [ICRA]A(Stable)/[ICRA]A1)). SCNL is also the servicer for the rated transaction.

The rating reaffirmation factors in the build-up of the credit enhancement cover over the future PTC payouts on account of high amortisation and healthy pool performance. The rating also draws comfort from the fact that the breakeven collection efficiency is lower than the actual collection level observed in the pool till the March 2026 payout month.

### Pool performance summary

Parameter	Bougainvillea 2024
Payout month	March 2026
Months post securitisation	15
Pool amortisation	30.18%
PTC amortisation	47.73%
Cumulative collection efficiency <sup>1</sup>	96.76%
Loss-cum-30+ days past due (dpd; % of initial pool principal) <sup>2</sup>	2.73%
Loss-cum-90+ dpd (% of initial pool principal) <sup>3</sup>	2.37%
Cumulative prepayment rate <sup>4</sup>	16.36%
Cumulative cash collateral (CC) utilisation	0.0%
CC available (as % of balance pool principal)	8.59%
Excess interest spread (EIS <sup>5</sup> ; as % of balance pool principal)	11.34%
Breakeven collection efficiency <sup>6</sup> for Series A1 PTC	53.61%

<sup>1</sup> (Cumulative current and overdue collections till date)/(Cumulative billing till date + Opening overdues at the start of the transaction)

<sup>2</sup> Principal outstanding (POS) on contracts aged 30+ dpd (pertaining to original pool+ new pool added) / POS on the pool at the time of securitization plus the addition of new pool principle

<sup>3</sup> POS on contracts aged 90+ dpd + (pertaining to original pool+ new pool added) / POS on the pool at the time of securitization plus the addition of new pool principle

<sup>4</sup> Sum of prepayment of contracts till date/Initial pool principal plus the addition of new pool principle

<sup>5</sup> (Pool cash flows till pool maturity – Cash flows to PTC investors – Originator's residual share)/Pool principal outstanding

<sup>6</sup> (Balance cash flows payable to investor – CC available)/Balance pool cash flows till PTC maturity

## Transaction structure

As per the transaction structure, the tenure of the pool shall be divided into– replenishment period and amortisation period.

### Replenishment period

The replenishment period will be for 12 months from the transaction commencement date. During this period, Series A1 PTC investor will receive only the promised interest payouts each month. The balance pool collections will be used by the trust to purchase fresh loan receivables from Satin as per the pre-defined selection criteria which would result in build-up of the pool principal during this period and thus increase the subordination for the rated instrument. The transaction also entails certain trigger events for early amortisation. A breach of any of these trigger events would lead to the end of the replenishment period and the start of the amortisation period. If a trigger event occurs at any time during the replenishment period, then the tenure of the PTCs shall be reduced and be co-terminus with the remaining tenure of the pool of receivables assigned to the trust.

### Amortisation period

Following the replenishment period, the residual pool collections, after meeting the promised interest payouts to the PTC investors, shall be used to make the expected principal payouts to the PTC investors. However, the principal is promised to the investors only on the legal final maturity date of the transaction. The transaction also entails certain trigger events for pool amortisation. A breach of any of these trigger events would lead to the end of the replenishment period and the start of the amortisation period. If a trigger event occurs at any time during the replenishment period, then the tenure of the PTCs shall be reduced and be co-terminus with the remaining tenure of the pool of receivables held by the trust.

## Key eligibility criteria for the receivables

### Eligibility Criteria

Facilities constituting the Receivables shall be identified on the basis of criteria specified below:

- The Facility is a loan to an individual
- No Facility is classified as a non-performing asset for the purposes of the directions and guidelines of the RBI.
- The Pool should comply with the Minimum Holding Period requirements prescribed by the RBI.
- None of the loans in the pool have residual maturity of less than 365 days
- No Facility is/shall be overdue as on the respective Pool Cutoff Date for Initial Pool/Additional receivables to be purchased during the Replenishment Period
- Underlying obligor for any Facility should not have been restructured or rescheduled by any lender or NPA with any lender. Underlying obligor should not have had a written off status with the Originator
- All Facilities have an interest payment frequency less than or equal to a month.
- All the Facilities are fully disbursed by the Originator.
- No security deposits (howsoever described) have been taken as security in relation to the Facility.
- Branch concentration to be capped at 5%; District concentration at 10%
- No Facility shall involve [Environment & Social] E&S high risk transactions i.e., project or long term corporate financing to activities which are likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented, and which includes, for the avoidance of doubt, activities involving (i) involuntary resettlement; (ii) risk of adverse impacts on indigenous peoples; (iii) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage; or (iv) significant occupational health and safety risks (risk of serious injury or fatality to workers).
- No Facility shall have residual tenor of more than 24 months
- All Facilities has been disbursed at a fixed or floating rate of interest by the Eligible Originator and the rate of interest has not been downgraded by the Eligible Originator (nor has the Eligible Originator agreed or committed to any such reduction) and there are no provisions for a downward reset of the interest rate).
- None of the Facilities should be part of the Exclusion List [See Annexure]
- Criteria based on scrub analysis:
  - a. No Restructured/ Settled/ Suit Filed/ Written off contracts with adverse reporting in last 4 years unless the Bureau score is >700

- b. Max DPD ever with Originator not to be greater than 30 Days
- c. Max DPD ever with Any Lender not to be greater than 90 Days
- d. No loans with total POS as reported in bureau >INR 2 Lakhs

#### Additional criteria for the replenished pool

- Weighted average IRR of replenished pool should not be less than weighted average IRR of initial pool and
- The maturity date of the underlying loans of replenished pool should not be more than maturity date of the pool
- Branch concentration to not exceed 5%
- District concentration to not exceed 10%
- Single State Concentration to not exceed 40%

#### Trigger events for early amortisation

- Utilization of cash collateral to service Series A1 interest
- Rating downgrade of originator/servicer by 2 notches from date of transaction
- 30+ PAR on the Cumulative Pool Principal breaches 10% [to be checked at each Replenishment Period Payout Date after assuming that pool collections as per Replenishment Waterfall after paying the PTC interest shall be utilized to purchase additional “nil overdue” contracts and such additional pool principal shall be part of the denominator while calculating the ratio. Nonetheless in case the Trigger is breached and Replenishment is stopped from that month, additional ‘nil overdue’ contracts shall not be purchased as per the Replenishment Waterfall during that month]
- Satisfaction of conditions that will trigger Turbo Amortization Trigger

#### Key rating drivers and their description

##### Credit strengths

**Build-up of credit enhancement available in the structure-** The rating factors in the build-up in the credit enhancement with the subordination increasing to ~32% of the balance pool principal from 10% at the time of securitisation. Credit support is also available through cash collateral (CC) of ~9% and excess interest spread (EIS) of ~11% of the balance pool principal.

**Healthy performance of pool –** The pool has exhibited strong performance with a cumulative collection efficiency of ~98% till the March 2026 payout month. This has resulted in low delinquencies in the pool with the 90+ days past due (dpd) at ~2% after March 2026 payout month. The breakeven collection efficiency has also declined significantly for the transaction. Further, there have been no instances of CC utilisation in the pool till date owing to the strong collection

**Track record of SCNL –**The company has an established track record of more than two decades in the lending business with adequate underwriting policies and collection procedures. It has sufficient processes for servicing the loan accounts in the securitised pool.

##### Credit challenges

**Risks associated with lending business –** The pools’ 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.

**Increasing delinquencies in microfinance sector–**The microfinance sector has seen a decline in collections and a consequent rise in delinquencies since the previous fiscal on account of multiple factors like heat waves, general elections, borrower overleveraging and attrition in collection teams. The sustained impact, if any, of these factors on the collections from the pool would be monitorable.

## Key rating assumption

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 the 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 4.75%, 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	Bougainvillea 2024
Originator	Satin Creditcare Network Limited
Servicer	Satin Creditcare Network Limited
Trustee	MITCON Credentia Trusteeship Services Limited
CC holding bank	Unity Small Finance Bank
Collection and payout bank	ICICI Bank

## Liquidity position: Superior

The liquidity for Series A1 PTC is superior after factoring in the credit enhancement available to meet the promised payouts to the investor. The total credit enhancement would be ~7.25 times the estimated loss in the pool.

## Rating sensitivities

**Positive factors** – The sustained strong collection performance of the underlying pool of contracts (monthly collection efficiency >95%), 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 (monthly collection efficiency <90%), 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 (Satin) could also exert pressure on the rating.

## Analytical approach

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

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Securitisation Transactions</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Not applicable

## About the originator

SCNL, set up in 1990 to grant 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 NBFC under the name, Satin Leasing and Finance 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 1,817 branches in the country as on December 31, 2025 on a standalone basis. As on December 31, 2025, the consolidated AUM stood at Rs. 13,341 crore. On a consolidated basis, SCNL reported a net profit of Rs. 170 crore in 9M FY2026 (total comprehensive income (TCI) of Rs. 150 crore) against Rs. 186 crore in FY2025 (TCI of Rs. 142 crore).

## Key Financial Indicators (standalone)

Satin Creditcare Network Limited	FY2024	FY2025	9MFY2026*
	Audited	Audited	Provisional
<b>Total income</b>	2,051	2,377	2,029
<b>Profit after tax</b>	423	217	165
<b>Total managed assets</b>	12,934	13,363	15,374
<b>Gross NPA</b>	2.5%	3.7%	3.3%
<b>CRAR</b>	27.7%	25.8%	24.6%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; \*Limited review of financials

## Status of non-cooperation with previous CRA: Not applicable

Any other information: None

## Rating history for past three years

Trust name	Instrument	Current rating (FY2026)				Chronology of rating history For the past 3 years			
		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	Date & rating in FY2023	
<b>Bougainvillea 2024</b>	Series A1 PTC	50.00	26.14	[ICRA]AA-(SO) April 27, 2026	[ICRA]A-(SO) April 29, 2025	Provisional [ICRA]A-(SO) January 07, 2025	-	-	

**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 instrument

Instrument	Complexity indicator
Series A1 PTC	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 II: Instrument details**

Trust name	Instrument name	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current amount rated (Rs. crore)	Current rating
<b>Bougainvillea 2024</b>	Series A1 PTC	December 30, 2024	10.60%	October 24, 2027	26.14	[ICRA]AA-(SO)

Source: Company

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

Not applicable

**Corrigendum:**

Document dated April 27, 2026 has been corrected with revision as detailed below:

Section where the revision is made:

In the footnote below pool performance summary table on page 1.

Revision made:

Updated the formulas for loss cum 30+ dpd, loss cum 90+ dpd and cumulative prepayment rate mentioned in the footnote below pool performance summary table on page 1.

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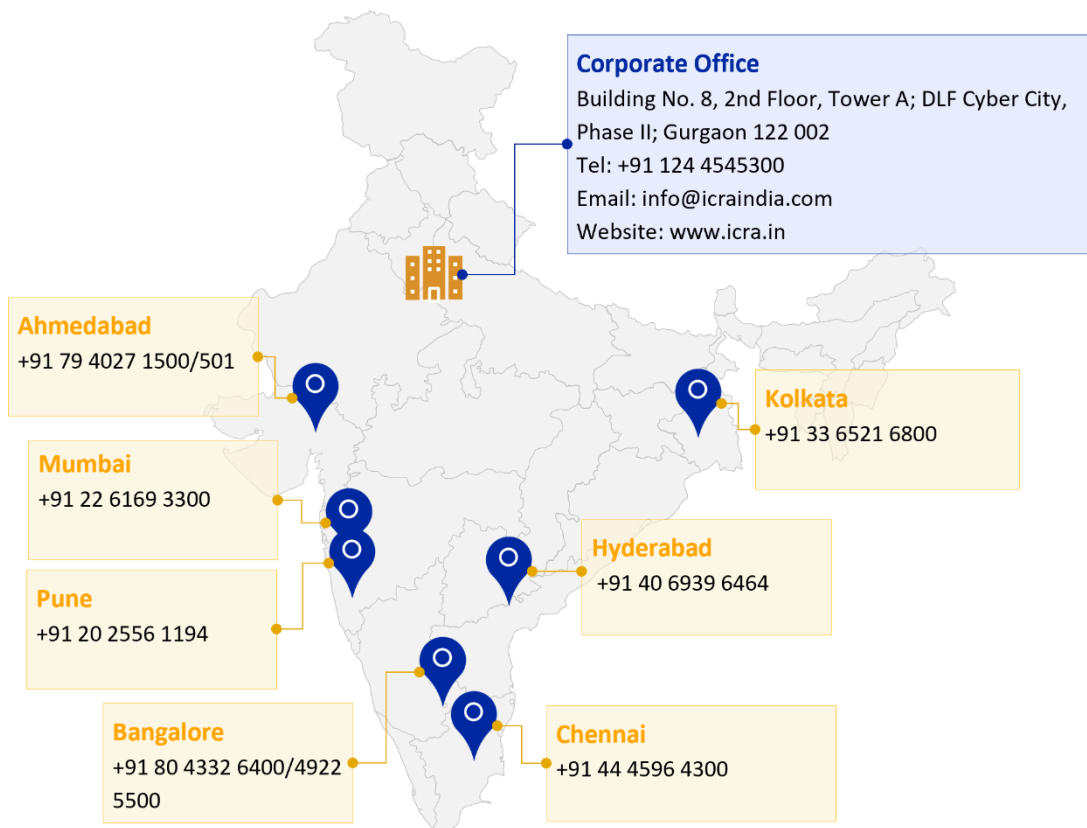
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