July 30, 2026

Spandana Sphoorty Financial Limited: Rating withdrawn for PTCs issued under a microfinance loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. crore)	Amount O/s after Last Surveillance (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action	Financial Sector Regulator#
Cartera MFI 2025	PTC Series A1	38.90	6.19	0.00	[ICRA]AA-(SO); Withdrawn	SEBI

**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

ICRA has withdrawn the rating for pass through certificates (PTCs) issued under securitisation transaction backed by microfinance loans receivables originated by Spandana Sphoorty Financial Limited (SSFL) (SSFL/Originator; rated [ICRA]BBB+ (Stable))[1] as tabulated above. All the payouts to the investor(s) in the above-mentioned instrument has been made and no further payments are due to the investor(s).

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The previous detailed rating rationale of previous rating exercise can be accessed 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

Spandana Sphoorty Financial Limited was incorporated in 2003 as an NBFC. It took over the microfinance operations of Spandana, a non-governmental organisation started by Ms. Padmaja Reddy in 1998. The company was classified as an NBFC-MFI in 2015. Following the microfinance crisis in Andhra Pradesh, the company entered into a master restructuring agreement (MRA) as part of the corporate debt restructuring (CDR) with its lenders in September 2011. It exited the CDR in April 2017 after an equity investment led by Kedaara Capital Investment Managers Limited (Kedaara Capital) and fresh funding from banks. SSFL completed its initial public offering (IPO) in August 2019.

[1] *The current rating rationale of the originator, available at this link, provides its detailed rating history and rating transitions.*

Key financial indicators (audited)

SSFL (standalone)	FY2024	FY2025	FY2026
Total income	2,386.7	2,245.2	942
Profit after tax	467.9	(956.7)	(624)
Total managed assets	13,852.4	9,040.3	6,664
Gross Stage 3 (%)	1.6%	4.9%	3.3%
CRAR	32.0%	36.3%	29.8%

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

Status of non-cooperation with previous CRA: NA

Any other information: Spandana Sphoorty Financial Limited is rated by ICRA and its rating was never migrated to speculative / default category in the past. The current rating rationale of the originator, available at this link.

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
				Jul 30, 2026	Feb 16, 2026	Feb 20, 2025	Feb 13, 2025	-
Cartera MFI 2025	PTC Series A1	38.90	0.00	**[ICRA]AA-(SO); withdrawn**	**[ICRA]AA-(SO)**	**[ICRA]AA-(SO)**	**Provisional [ICRA]AA-(SO)**	-

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Cartera MFI 2025	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

ISIN	Trust Name	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Rating	Financial Sector Regulator#
INE1M7715013	**Cartera MFI 2025**	PTC Series A1	February 13, 2025	9.80%	October 17, 2026	0.00	[ICRA]AA-(SO); Withdrawn	SEBI

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Not Applicable

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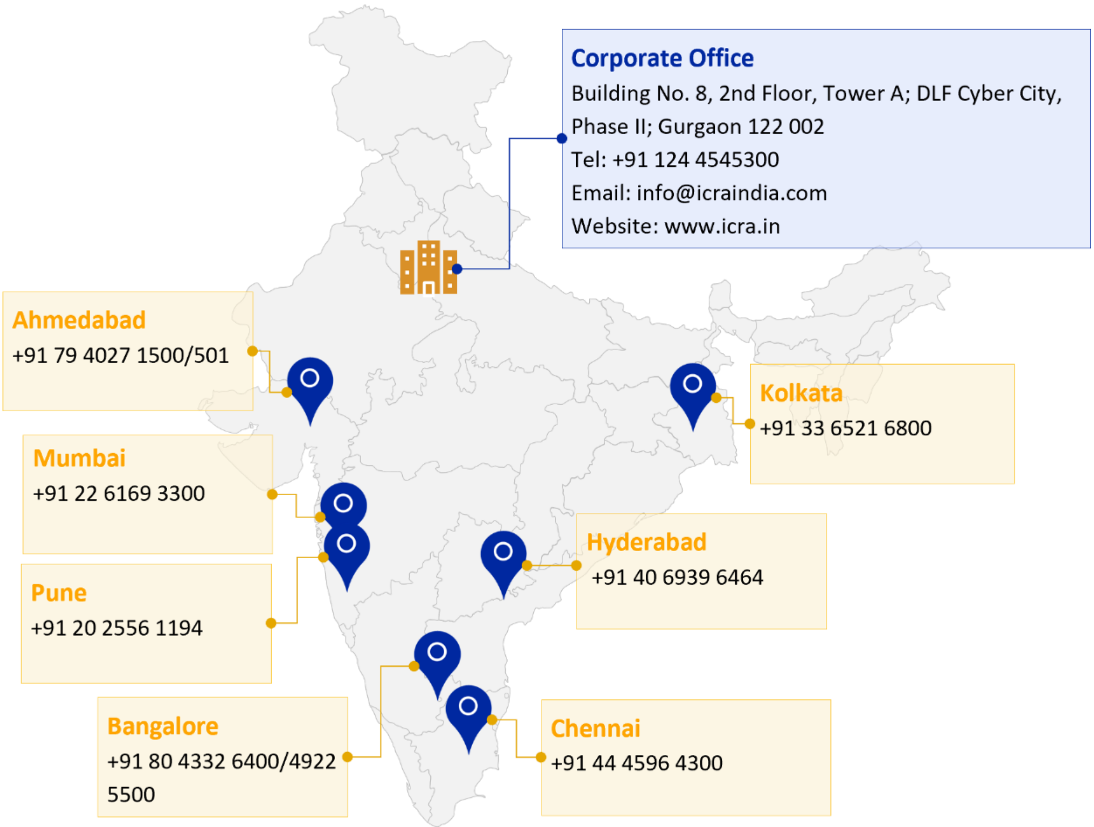

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