

SBI Cards & Payment Services Ltd — 24 Oct 2025 Credit Rating Summary

Based on the ICRA rating actions dated February 27 and March 02, 2026, the following summary focuses on **Akara Capital Advisors Private Limited** (the parent of Fintech brand *Stashfin*), as it represents a significant growth and liquidity signal relevant to equity valuation.

Credit Rating Summary: Akara Capital Advisors Private Limited

Section	Details
Agency	ICRA Limited
Rating Change	Reaffirmed (Enhancement of rated amount); [ICRA]A(SO) assigned to new PTCs
Outlook (Current vs Previous)	Stable (Maintained despite increase in rated limits)
Key Drivers of Change	Asset Scaling: Enhancement of rated amount indicates a push for AUM growth and higher loan disbursements. Funding Diversification: Assignment of [ICRA]A(SO) to 'PLATINUM WELL-2026' PTCs shows successful securitization of personal loan receivables. Credit Enhancement: The (SO) rating reflects structural protections (over-collateralization/cash collateral) for investors.
Rated Instruments	PTCs (Platinum Well-2026): Amount TBA, Rating: <i>[ICRA]A(SO)</i>, Outlook: <i>Stable</i> <i>Enhanced Bank Facilities:</i> Amount <i>Enhanced</i>, Rating: Reaffirmed
Key Observations	Positive: Continuous access to capital markets via PTCs lowers the average cost of funds. Positive: Reaffirmation suggests stable collection efficiencies and credit costs despite book growth. Positive: Scaling of the "Stashfin" brand through increased bank lines. Risk: High inherent risk in the unsecured personal loan segment. Risk: Increased leverage as the "rated amount enhanced" signal points to higher debt-to-equity ratios.
Investor Impact	Growth: Clear signal of aggressive AUM expansion for FY2026-27. Margins: Securitization (PTCs) should help protect Net Interest Margins (NIMs) via cheaper refinancing. Dilution Risk: Higher debt capacity reduces the immediate need for equity dilution to fund growth.
Agency / Cross Analysis	Same Agency: ICRA maintains a consistent view on the entity's creditworthiness while supporting its transition to a larger balance sheet. The shift from simple bank debt to Structured Obligations (SO) indicates a maturing liability profile. Conclusion: Improvement in financial flexibility and liquidity depth.
Final Inference	Real Growth Signal: The combination of "Reaffirmed" ratings and "Enhanced" limits indicates the lender is successfully scaling without deteriorating credit metrics. The PTC issuance confirms strong appetite from institutional debt investors.

**Note: Exact Cr figures were not disclosed in the high-level rationale snippet; "Enhanced" indicates a shift upward from previous rated limits.*

Red Flag Monitor: Prateek Apparels Private Limited

As an analyst, it is critical to note the secondary headline in the report: * **Action:** Downgraded and remains in **Issuer Not Cooperating (INC)** category. * **Inference for Equity:** This is a **Deterioration** signal. INC status combined with a downgrade usually precedes a default or highlights severe transparency/governance issues. Avoid equity exposure or assume total loss in valuation models.