

Network 18 Media & Investments Ltd — 13 Dec 2024 Credit Rating Summary

Based on the ICRA rating rationales and news releases dated February 27 – March 02, 2026, provided in the snapshot, here is the equity-focused credit summary for **Akara Capital Advisors Private Limited** (the primary entity with active rating movements).

Section	Details
Agency	ICRA Limited
Rating Change	Reaffirmed / Assigned (Corporate Rating reaffirmed; Provisional [ICRA]A(SO) assigned to new PTCs)
Outlook (Current vs Previous)	Stable (Implied by reaffirmation and enhancement of rated amounts)
Key Drivers of Change	Asset Backing: Assignment of [ICRA]A(SO) for PTCs backed by personal loan receivables (Pool: PLATINUM WELL-2026). Growth Ambition: "Rated amount enhanced," signaling an expansion of the loan book/borrowing limits. Funding Diversification: Shift toward securitization/structured finance to optimize capital costs. Macro Tailwinds: ICRA forecasts 7.1% GDP growth for FY2027, supporting credit demand in the personal loan segment.
Rated Instruments	1. PTCs (Platinum Well-2026): □N/D Cr*
Key Observations	• Strengths: Successful securitization indicates high investor confidence in pool quality; access to capital markets via PTCs improves liquidity. • Strengths: Benefit of "SO" (Structured Obligation) provides a rating uplift higher than standalone credit. • Risks: Portfolio is concentrated in "Personal Loan Receivables," which are typically unsecured and sensitive to economic downturns. • Risks: Reliance on "Provisional" ratings for new issuances pending final documentation. • External Risk: ICRA notes fiscal deficit concerns (63% of target met in 10M) which could tighten systemic liquidity.
Investor Impact	• Growth: Enhancement of rated limits confirms aggressive AUM (Assets Under Management) growth trajectory. • Margins: Access to structured finance ([ICRA]A(SO)) likely lowers the cost of funds compared to plain vanilla debt. • Dilution Risk: Low in the near term as the company is successfully leveraging debt/securitization rather than seeking immediate equity infusion.
Agency / Cross Analysis	Internal Alignment: ICRA is maintaining a consistent view on Akara Capital, moving from standalone reaffirmations to structured product assignments. Counter-Indicator: In contrast, ICRA downgraded Prateek Apparels to "Non-Cooperating" on the same day, signaling a strict stance on transparency and information flow.
Final Inference	Real Growth Signal. The transition to structured PTCs and the enhancement of rated limits suggest Akara is successfully scaling its fintech/lending operations with institutional backing, despite the unsecured nature of its underlying assets.

*Note: Exact Cr amounts were not disclosed in the provided website summary snippet; "Enhanced" indicates a net increase in debt capacity.

Strategic Red Flags from the Report Period:

- **Sector Risk:** US tariffs of **126%** on Indian solar firms (Adani mentioned) indicate heightening geopolitical risks for renewable energy-linked portfolios.

- **Credit Quality:** The downgrade of **Prateek Apparels** to "Issuer Non-Cooperating" serves as a reminder of rising stress in mid-sized firms leading to ARC sales.
- **Macro Signal:** ICRA's forecast of **7.1% GDP growth** for FY2027 suggests a "Buy on Dips" environment for financial services stocks, provided asset quality holds.