

October 23, 2025

Akara Capital Advisors Private Limited: Update on Material Event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Non-convertible debentures	1,310.40	1,310.40	[ICRA]BBB (Stable)
Non-convertible debentures^	186.00	186.00	[ICRA]BBB (Stable)
Long-term fund based bank facilities	200.00	200.00	[ICRA]BBB (Stable)
Commercial paper	200.00	200.00	[ICRA]A3+
Total	1,896.40	1,896.40	

*Instrument details are provided in Annexure I; ^ ISIN INE08XP07266, INE08XP07233, INE08XP07258 and INE08XP07241

Rationale

Akara Capital Advisors Private Limited, through its stock exchange filings dated October 17, 2025, October 18, 2025, and October 21, 2025, intimated that the scheduled monthly interest payments towards non-convertible debentures (NCDs) bearing ISINs INE08XP07266, INE08XP07241, INE08XP07233, and INE08XP07258 respectively, could not be remitted to a few investors due to the invalid or incorrect account details and/or IFSC code mismatch. However, ICRA notes that commensurate amount was maintained in a separate restricted/escrow account with a scheduled commercial bank on or before the respective due dates, in lieu of the unpaid amounts, which stood at Rs. 13,118, Rs. 7,699, Rs. 9,627 and Rs. 5,185 for the ISINs INE08XP07266, INE08XP07241, INE08XP07233 and INE08XP07258 respectively.

ACAPL had sufficient liquidity in the form of cash and bank balances of ~Rs. 100.7 crore as on October 17, 2025, and ~Rs. 95.4 crore as on October 22, 2025. The unpaid amounts to some investors neither reflects its lack of ability nor willingness to service its debt obligations. The inability to make the payment to certain investors was because of reasons beyond the control of the company as it could not gather the correct account details of the investors independently. Given that the company's fundamental credit profile remains intact and as commensurate amount in lieu of the unpaid amounts is maintained in a separate restricted/escrow account on the respective due dates, its rating remains unchanged, in accordance with ICRA's Policy on Default Recognition.

The table below includes the details of the instruments concerned:

Nature of Security	ISIN	Total Amount to be paid (Rs. lakh)	Due date of payment	Amount of payment made (Rs. lakh)	Amount of payment failed (Rs. lakh)	Reasons for failure of payment
NCD	INE08XP07266	36.51	October 17, 2025	36.38	0.13	IFSC Code mismatch and bank detail errors
NCD	INE08XP07241	14.85	October 19, 2025	14.77	0.08	Payment bounced back/incomplete account details
NCD	INE08XP07233	51.88	October 21, 2025	51.78	0.10	Rejected by bank or invalid or incorrect details
NCD	INE08XP07258	37.15	October 22, 2025	37.10	0.05	Amount bounced back due to Invalid or incorrect details

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, and rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's rating methodology for non-banking finance companies Policy on default recognition
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation; ICRA has considered the consolidated financials of ACAPL and its Group company – EQXAPL, owing to their business linkages, common management and shared infrastructure.

About the company

ACAPL is a Delhi-based non-deposit taking NBFC registered with the Reserve Bank of India (RBI) since 2016. It started operations in 2017. The company primarily provides unsecured short-term personal loans to salaried individuals through web and mobile platforms. ACAPL is currently owned by MTPL, a Singapore-based neo banking start-up backed by investors like Blowfish Ventures, Divine Blessing Investments, Altara Ventures, Positive Moves Consulting, Fasanara Capital, Tencent Group, Uncorrelated Ventures, etc.

ACAPL is a 100% subsidiary of MTPL (holding company incorporated in Singapore). The Group has another wholly-owned subsidiary, EQX Analytics Private Limited (EQXAPL), which houses the technology platform known as StashFin and sources leads. The technology platform is used by ACAPL and other co-lenders for lending to customers.

On a consolidated basis (ACAPL+EQXAPL), the Group reported a loss of Rs. 9 crore in Q1 FY2026 on a total managed asset base of Rs. 2,058 crore compared to a profit after tax (PAT) of Rs. 25 crore¹ in FY2025 on a total managed asset base of Rs. 1,982 crore as on March 31, 2025. The consolidated net worth stood at Rs. 715 crore with a managed gearing of 1.8x as on June 30, 2025 compared with Rs. 717 crore and 1.6x, respectively, as on March 31, 2025.

On a standalone basis, ACAPL reported a PAT of Rs. 8 crore in Q1 FY2026 on a total managed asset base of Rs. 2,002 crore compared to PAT of Rs. 85² crore in FY2025 on a total managed asset base of Rs. 1,919 crore as on March 31, 2025. The net worth stood at Rs. 702 crore with a managed gearing of 1.8x as on June 30, 2025 compared with Rs. 693 crore and 1.7x, respectively, as on March 31, 2025. The gross and net non-performing advances (NNPAs), as a percentage of the overall AUM, stood at 4.6% and 1.8%, respectively, as on June 30, 2025 compared with 4.3% and 1.5%, respectively, as on March 31, 2025.

Key financial indicators (consolidated)

ACAPL+EQXAPL	FY2024	FY2025	Q1 FY2026
	Audited	ACAPL (audited)/EQXAPL (provisional)	Provisional
Total income	834	710	175
Profit after tax	27	25	-9
Total managed assets	2,059	1,982	2,058
Return on average managed assets	1.4%	1.2%	-1.8%
Managed gearing (times)	2.0	1.6	1.8
Gross NPA (% of overall AUM)	4.0%	4.3%	4.6%

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

Key financial indicators (standalone)

ACAPL (standalone)	FY2024	FY2025	Q1 FY2026
	Audited	Audited	Provisional
Total income	784	709	177
Profit after tax	69	85	8
Total managed assets	1,996	1,919	2,002

¹ Consolidated PAT, adjusting for non-cash share-based payments (excluding tax impact), stood at Rs. 85 crore in FY2025

² Standalone PAT, adjusting for non-cash share-based payments (excluding tax impact), stood at Rs. 99 crore in FY2025

ACAPL (standalone)	FY2024	FY2025	Q1 FY2026
	Audited	Audited	Provisional
Return on average managed assets	3.6%	4.3%	1.6%
Managed gearing (times)	2.1	1.7	1.8
Gross NPA (% of overall AUM)	4.0%	4.3%	4.6%
CRAR	31.7%	31.2%	28.8%

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	FY2026					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	October 23, 2025	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
Long-term fund-based bank facilities	Long term	200.00	[ICRA]BBB (Stable)	AUG-08-2025	[ICRA]BBB (Stable)	MAY-10-2024	[ICRA]BBB (Stable)	APR-05-2023	[ICRA]BBB (Stable)	OCT-03-2022	[ICRA]BBB (Stable)
		-	-	OCT-20-2025	[ICRA]BBB (Stable)	AUG-09-2024	[ICRA]BBB (Stable)	JUL-04-2023	[ICRA]BBB (Stable)	OCT-20-2022	[ICRA]BBB (Stable)
		-	-	-	-	-	-	AUG-10-2023	[ICRA]BBB (Stable)	DEC-20-2022	[ICRA]BBB (Stable)
Long-term fund based – Term loan	Long term	-	-	AUG-08-2025	[ICRA]BBB+(CE) (Stable)	MAY-10-2024	[ICRA]BBB+(CE) (Stable)	APR-05-2023	Provisional [ICRA]BBB+(CE) (Stable)	-	-
		-	-	-	-	AUG-09-2024	[ICRA]BBB+(CE) (Stable)	JUL-04-2023	[ICRA]BBB+(CE) (Stable)	-	-
		-	-	-	-	-	-	AUG-10-2023	[ICRA]BBB+(CE) (Stable)	-	-
Commercial paper	Short term	200.00	[ICRA]A3+	AUG-08-2025	[ICRA]A3+	MAY-10-2024	[ICRA]A3+	APR-05-2023	[ICRA]A3+	OCT-03-2022	[ICRA]A3+
				OCT-20-2025	[ICRA]A3+	AUG-09-2024	[ICRA]A3+	JUL-04-2023	[ICRA]A3+	OCT-20-2022	[ICRA]A3+
				-	-	-	-	AUG-10-2023	[ICRA]A3+	DEC-20-2022	[ICRA]A3+
Non-convertible debentures	Long term	1,496.4	[ICRA]BBB (Stable)	AUG-08-2025	[ICRA]BBB (Stable)	MAY-10-2024	[ICRA]BBB (Stable)	APR-05-2023	[ICRA]BBB (Stable)	OCT-03-2022	[ICRA]BBB (Stable)
		-	-	OCT-20-2025	[ICRA]BBB (Stable)	AUG-09-2024	[ICRA]BBB (Stable)	JUL-04-2023	[ICRA]BBB (Stable)	OCT-20-2022	[ICRA]BBB (Stable)
		-	-	-	-	-	-	AUG-10-2023	[ICRA]BBB (Stable)	DEC-20-2022	[ICRA]BBB (Stable)
Market linked debenture	Long term	-	-	-	-	-	-	APR-05-2023	PP-MLD[ICRA]BBB (Stable)	DEC-20-2022	PP-MLD[ICRA]BBB (Stable)
		-	-	-	-	-	-	JUL-04-2023	PP-MLD[ICRA]BBB (Stable)	-	-
		-	-	-	-	-	-	AUG-10-2023	PP-MLD[ICRA]BBB (Stable); withdrawn	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based bank facilities	Simple
Non-convertible debentures	Very Simple
Commercial paper	Very 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 I: Instrument details (as on October 14, 2025)

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
INE08XP07233	NCD	Jun-21-2024	10.0100%	Dec-21-2025	70.0	[ICRA]BBB (Stable)
INE08XP07217	NCD	May-31-2024	11.9000%	Dec-03-2026	20.0	[ICRA]BBB (Stable)
INE08XP07225	NCD	May-31-2024	12.0000%	Dec-03-2029	10.0	[ICRA]BBB (Stable)
INE08XP07241	NCD	Aug-08-2024	12.5000%	Feb-19-2026	6.0	[ICRA]BBB (Stable)
INE08XP07258	NCD	Aug-14-2024	10.0100%	Feb-14-2026	50.0	[ICRA]BBB (Stable)
INE08XP07241	NCD	Sep-23-2024	12.5000%	Feb-19-2026	10.0	[ICRA]BBB (Stable)
INE08XP07266	NCD	Oct-04-2024	9.8500%	Apr-17-2026	50.0	[ICRA]BBB (Stable)
INE08XP07274	NCD	Dec-31-2024	14.000%	Dec-31-2026	25.0	[ICRA]BBB (Stable)
INE08XP07282	NCD	Feb-06-2025	12.000%	Aug-14-2028	25.0	[ICRA]BBB (Stable)
INE08XP07282	NCD	Feb-24-2025	12.000%	Aug-14-2028	11.0	[ICRA]BBB (Stable)
INE08XP07282	NCD	Feb-24-2025	12.000%	Aug-14-2028	19.0	[ICRA]BBB (Stable)
INE08XP07290	NCD	Mar-27-2025	14.500%	Jun-29-2026	30.0	[ICRA]BBB (Stable)
INE08XP07308	NCD	Apr-30-2025	9.8500%	Oct-30-2026	25.0	[ICRA]BBB (Stable)
INE08XP07282	NCD	May-08-2025	12.000%	Jan-05-2026	30.0	[ICRA]BBB (Stable)
INE08XP07282	NCD	Feb-14-2025	12.000%	Aug-14-2028	40.0	[ICRA]BBB (Stable)
INE08XP07324	NCD	Jun-27-2025	12.500%	Aug-14-2028	20.0	[ICRA]BBB (Stable)
INE08XP07340	NCD	Sep-10-2025	14.75%	Mar-26-2027	20.00	[ICRA]BBB (Stable)
INE08XP07357	NCD	Sep-16-2025	12.00%	Sep-16-2027	25.00	[ICRA]BBB (Stable)
INE08XP07365	NCD	Sep-16-2025	12.00%	Sep-16-2027	25.00	[ICRA]BBB (Stable)
INE08XP07373	NCD	Sep-22-2025	14.75%	Sep-28-2026	20.00	[ICRA]BBB (Stable)
INE08XP07381	NCD	Sep-30-2025	14.35%	Oct-28-2026	30.00	[ICRA]BBB (Stable)
INE08XP07324	NCD	Oct-07-2025	12.50%	Dec-27-2028	53.00	[ICRA]BBB (Stable)
INE08XP07399	NCD	Oct-13-2025	12.00%	Apr-13-2027	35.00	[ICRA]BBB (Stable)
INE08XP07316	NCD	Jul-11-2025	9.85%	Jan-11-2027	25.00	[ICRA]BBB (Stable)
INE08XP07282	NCD	Aug-14-2025	12.00%	Aug-14-2028	15.00	[ICRA]BBB (Stable)
INE08XP07332	NCD	Aug-07-2025	13.30%	Feb-21-2027	22.92	[ICRA]BBB (Stable)
INE08XP07324	NCD	Aug-21-2025	12.50%	Dec-27-2028	28.50	[ICRA]BBB (Stable)
NA	NCD^	NA	NA	NA	755.98	[ICRA]BBB (Stable)
NA	Long-term fund-based others	Aug-23-2024	-	May-27-2027	53.35	[ICRA]BBB (Stable)
NA	Long-term fund-based others^	NA	NA	NA	146.65	[ICRA]BBB (Stable)
INE08XP14106	Commercial paper	Jul-04-2025	0.00%	Oct-27-2025	40.00	[ICRA]A3+
INE08XP14122	Commercial paper	Aug-07-2025	0.00%	Aug-06-2026	30.00	[ICRA]A3+
INE08XP14148	Commercial paper	Oct-08-2025	0.00%	Jan-30-2026	25.00	[ICRA]A3+
NA	Commercial paper^	NA	NA	NA	105.00	[ICRA]A3+

Source: Company, ICRA Research; ^ Yet to be placed/Proposed

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

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Akara Capital Advisors Private Limited	Rated entity	Full consolidation
EQX Analytics Private Limited	Group company with same parent	Full consolidation

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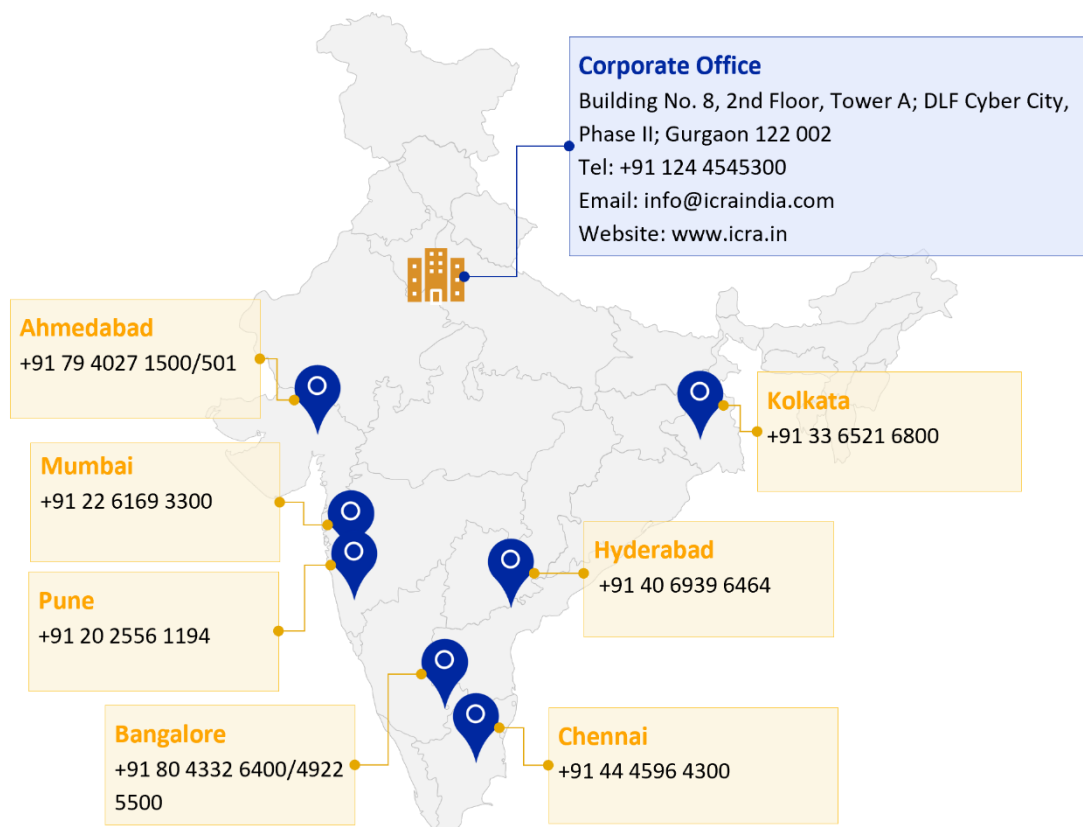


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