July 31, 2026

Amica Finance Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previously rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term/Short-term fund-based/ Non-fund based bank lines	90.00	90.00	[ICRA]BB (Stable)/[ICRA]A4; reaffirmed	RBI
Total	**90.00**	**90.00**		

**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

The rating for Amica Finance Private Limited's (AFPL) factor in its adequate capitalisation profile, supported by the Rs. 50-crore capital infusion in December 2025 that was funded through the capital raise at the holding company, Amica Financial Technologies Private Limited (AFTPL; Jupiter[1]), in November 2025.

ICRA notes the change in AFPL's shareholding structure, with AFTPL holding a 99.99% stake as on March 31, 2026, making the company its subsidiary. Under the earlier promoter-led shareholding structure, Mr. Jitendra Gupta had a 77.15% stake as on March 31, 2025. AFPL continues to benefit from being a part of the AFTPL ecosystem. It leverages the Jupiter platform and its client base for loan originations, in addition to funding access in the form of intercorporate deposits (ICDs) from the holding company.

The ratings are, however, constrained by AFPL's limited track record with the commencement of operations in 2023. Its assets under management (AUM) stood at a modest level of Rs. 405.9 crore as on June 30, 2026 and Rs. 351.6 crore as on March 31, 2026 (Rs. 235.7 crore on March 31, 2025) and it has limited financial flexibility at present. On a standalone basis, AFPL reported a profit after tax (PAT) of Rs. 4.4 crore in FY2026 compared to a loss of Rs. 1.4 crore in FY2025. The company reported a standalone profit before tax (PBT) of Rs. 9.7 crore as compared to Rs. 5.7 crore in FY2026. Its profitability metrics remain modest and susceptible to volatility in credit costs and operating expenses. Further, AFTPL reported a consolidated net loss of Rs. 195 crore in FY2026 vis-à-vis a loss of Rs. 215 crore in FY2025.

The Stable outlook reflects ICRA's expectation that the company would be able to maintain an adequate capital profile and improve its earnings performance from the current levels.

Key rating drivers and their description

Credit strengths

Linkage and access to Jupiter ecosystem – AFPL became a subsidiary of AFTPL following the transfer of shareholding by the promoter, Mr. Jitendra Gupta, and other minority shareholders to AFTPL in October 2025. The company benefits from Jupiter's ecosystem by utilising its technology platform for loan origination, underwriting and management. Jupiter is the neo-banking platform operated by AFTPL and a partner of Federal Bank. It was founded by Mr. Gupta in 2019 and offers a range of financial services, including savings accounts, debit cards, systematic investment plans (SIPs), and mutual funds, among others. Jupiter provides customers with a user interface for availing loan products from AFPL after opening a salary/savings account on its platform. Linkages with Jupiter's ecosystem and access to its customer database are expected to help the company grow its

[1] *Jupiter is a neo-banking platform operated by AFTPL*

loan base. Furthermore, AFTPL extended funding support to AFPL in the form of ICDs of Rs. 120 crore, of which Rs. 103 crore was outstanding as on June 30, 2026 along with an equity infusion of Rs. 50 crore in FY2026.

Adequate capitalisation at present – The company is adequately capitalised with a net worth of Rs. 113.6 crore as on June 30, 2026 and Rs. 103.9 crore as on March 31, 2026 (Rs. 49.5 crore as on March 31, 2025) and a managed gearing of 2.5 times as on June 30, 2026 and 2.6 times as on March 31, 2026 (4.5 times as on March 31, 2025). While internal capital generation remains modest, the capitalisation profile is supported by the capital infusion of Rs. 50 crore in December 2025 by AFTPL (raised Rs. 115-crore equity capital in FY2026). Going forward, the standalone leverage is expected to increase from the current level as AFPL scales up its operations in line with its stated growth plans. However, considering the sizeable losses at the Group level, timely and regular capital infusions would be critical.

Credit challenges

Limited track record of operations – AFPL started disbursements in June 2023 after receiving a non-banking financial company (NBFC) licence in April 2023. It provides short-tenure unsecured finance and expanded its AUM to Rs. 405.9 crore as on June 30, 2026 and Rs. 351.6 crore as on March 31, 2026 from Rs. 235.7 crore as on March 31, 2025. As the company's track record in the financial lending space has been limited and its scale is modest at present, the asset quality indicators are yet to be tested across economic cycles. ICRA expects the scale to increase over the medium term, supported by the recent capital infusion.

Limited financial flexibility – AFPL's financial flexibility is characterised by limited funding tie-ups. The company had borrowings from six lenders as on June 30, 2026. ICRA notes that AFPL has been expanding its funding relationships to include banks and NBFCs and has also raised debt in the form of non-convertible debentures (NCDs) in addition to the Rs. 120-crore ICD line from AFTPL. The average cost of funds was in the range of 11.45-12.50%. Also, the company is expecting to meet its AUM growth target by increasing the share of co-lending partnerships. AFPL's ability to diversify its funding profile and draw larger funding lines from banks and other sources would be important for scaling up its operations.

Modest, albeit improving, standalone profitability indicators; however losses are sizeable at Group level – While AFPL reported a PAT of Rs. 4.4 crore in FY2026 compared to a loss of Rs. 1.4 crore in FY2025, its profitability metrics remain modest on account of its current scale of operations. The improvement was supported by the increase in the net interest margin to 15.7% in FY2026 from 13.0% in FY2025, aided by lower leverage following the capital infusion and the decline in credit costs to 8.8% in FY2026 of average managed assets (AMA) from 14.1% in FY2025. The company further reported a profit before tax (PBT) of Rs. 9.7 crore as compared to Rs. 5.7 crore in FY2026. Nevertheless, the earnings profile remains susceptible to volatility in credit costs and operating expenses, given the company's relatively nascent stage of operations and its focus on unsecured lending.

At the Group level, AFTPL continues to report sizeable losses with a consolidated net loss of Rs. 195 crore in FY2026 vis-à-vis a loss of Rs. 215 crore in FY2025. AFTPL has a track record of raising capital, though it would be critical to secure capital regularly, going forward as well, to maintain an adequate capital profile at the Group level and until the Group narrows down the losses significantly and achieves cash flow self-sufficiency.

Liquidity position: Adequate

As on March 31, 2026, AFPL's liquidity position is adequate with no negative cumulative mismatches in the asset-liability management (ALM) statement owing to the short tenure of the loan book. As per the ALM profile as on March 31, 2026, the company has expected inflows from advances of Rs. 253.4 crore against scheduled debt obligations (principal and interest) of Rs. 69.5 crore in the next 12 months. AFPL had unencumbered cash and cash equivalents of Rs. 21.0 crore as on March 31, 2026. It also has an ICD limit from AFTPL, of which Rs. 12 crore was unutilised as on March 31, 2026.

Rating sensitivities

Positive factors – A significant increase in the scale of operations along with an improvement in the profitability indicators, while maintaining good asset quality and a prudent capitalisation structure on a sustained basis, could lead to a rating upgrade.

Negative factors – Sustained weak financial performance at the Group level or a deterioration in the asset quality or liquidity indicators of AFPL could lead to a rating downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

AFPL commenced disbursements from June 2023 and provides on-demand salary (ODS) loans and unsecured personal loans, with an average tenor of ~12 months. In FY2026, the company transitioned from the promoter-led ownership structure and became a wholly-owned subsidiary of AFTPL as on March 31, 2026. Prior to the restructuring, the promoter, Mr. Jitendra Gupta, had a 77.1% stake in AFPL. He currently holds 37.09% in AFTPL, a neo-bank startup founded in August 2019, with over 70 institutional investors, including Alteria Capital, Tiger Global and Sequoia Capital.

AFPL reported a net profit of Rs. 4.4 crore on total managed assets of Rs. 391.2 crore in FY2026 compared to a loss of Rs. 1.4 crore on total managed assets of Rs. 280.5 crore in FY2025. The company reported a profit before tax (PBT) of Rs. 9.7 crore as compared to Rs. 5.7 crore in FY2026. As on June 30, 2026, the total AUM stood at Rs. 405.9 crore and Rs. 351.6 crore as on March 31, 2026. It reported a capital-to-risk weighted assets ratio (CRAR) of 29.4% and a managed gearing of 2.5 times as on June 30, 2026, compared to 29.9% and 2.6 times as on March 31, 2026, respectively.

Key financial indicators

Amica Finance Private Limited	FY2025	FY2026
	Audited	Audited
Accounting as per	IGAAP	IGAAP
Total income	46.9	81.9
Profit after tax	-1.4	4.4
Total managed assets	280.5	391.2
Return on managed assets	-0.7%	1.3%
Managed gearing (times)	4.5	2.6
Gross NPAs	-	0.5%
Capital adequacy ratio	24.3%	29.9%

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

S. No.	Instrument	Current Rating (FY2027)			Rating History for the Past 3 Years		
		Type	Rated Amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025	Date & rating in FY2024
				July 31, 2026	Apr 30, 2025	-	Jan 22, 2024
1	**Long-term/ short-term bank limits**	Long term/ short-term	90.00	**[ICRA]BB (Stable)/ [ICRA]A4**	**[ICRA]BB (Stable)/ [ICRA]A4**		**[ICRA]BB (Stable)/ [ICRA]A4**

Source: ICRA Research

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term/Short-term fund-based/Non-fund based bank lines	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

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	**Long-term/Short-term fund-based/Non-fund based bank lines**	NA	NA	NA	90.00	[ICRA]BB (Stable)/[ICRA]A4	RBI

Source: Company;

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Not applicable

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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