Stellar 1.4 2024

Originator: RBL bank Limited

November 25, 2026

Instrument#	Name of the Regulator[1]	Amount (₹ crore)@	Balance Tenure (months)*	Credit Enhancement (₹ crore)			Rating[2]	Rating Action
				First Loss Facility	Second Loss Facility	Subordination^		
Series A1 PTC	RBI	7.89	17	8.23	6.74	14.80	CARE AAA (SO)	Upgraded from CARE AA+ (SO)
Series A2 PTC	RBI	6.74				8.07	CARE AA- (SO)	Upgraded from CARE A+ (SO)
Second Loss Facility	RBI	6.74			-	-	CARE A+ (SO)	Upgraded from CARE A (SO)

Details of instruments/facilities in Annexure-1.

#The Series A1 PTCs are rated based on timely payment of interest and payment of principal on or before the last scheduled payout date. Interest for Series A2 is expected until the redemption of Series A1 PTC. After the redemption of Series A1 PTCs, payment of interest is promised monthly, while payment of principal is expected monthly and promised on or before the last scheduled payout date.

@After October 2026 payout.

^Increase in over collateral is due to the turbo amortisation

*Tenure/door-to-door maturity may change due to prepayments or changes in interest rates, if any.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has upgraded ratings of both, the Series A1 PTC and Series A2 PTC issued by Stellar 1.4 2024, backed by personal loan receivables originated by RBL Bank Limited, at 'CARE AAA (SO)' [pronounced as Triple A (Structured Obligation)] from 'CARE AA+ (SO)' [pronounced as Double A Plus (Structured Obligation)] and at 'CARE AA- (SO)' [pronounced as Double A Minus (Structured Obligation)] from 'CARE A+ (SO)' [pronounced as Single A Plus (Structured Obligation)], respectively. CareEdge Ratings has also upgraded the rating of the Second Loss Facility issued by Stellar 1.4 2024, at 'CARE A+ (SO)' [pronounced as Single A Plus (Structured Obligation)] from 'CARE A (SO)' [pronounced as Single A (Structured Obligation)].

The rating action in ratings is primarily based on the performance of the underlying loans over the past 19 months post-securitisation, robust legal structure, well-defined payment mechanism, significant built-up in cash collateral (CC) and over collateral (OC) – as a percentage of the balance amount of pass-through certificates (PTCs), subordination of excess interest spread (EIS), servicing capability, and overall performance of RBL Bank.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors - Factors that could, individually or collectively, lead to positive rating action/upgrade:

For Series A1 PTCs: Not applicable

For Series A2 PTCs:

- Delinquencies (90+ days past due [DPD] as percentage of initial principal outstanding [POS]) of less than 2% and the sustained high collection efficiency (cumulative collection efficiency of over 98%).

Negative factors - Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Delinquencies (90+ DPD as percentage of initial POS) of over 8% and the sustained lower collection efficiency (cumulative collection efficiency of less than 90%).
- Deterioration in the credit profile of the originator.
- Utilisation of CC.
- Non-adherence to key transaction terms envisaged at the time of the rating.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications

Analytical approach

The rating action is based on inter alia, observed and expected performance of pool, presence of credit enhancement, and adherence to the transaction structure.

Detailed description of key rating drivers

Pool performance:

The transaction structure stipulates timely payment of interest with the repayment of principal on or before the final legal maturity. The transaction features a turbo amortisation, where EIS will be utilised to prepay Series A1 PTCs until they are redeemed in full and post redemption of Series A1 PTCs, the EIS will be utilised to prepay Series A2 PTCs. Principal of Series A2 PTCs is also promised to be paid by final legal maturity. The pool has amortised by ~85% in 19 months post-securitisation. As of October 2026 payout, overdue (OD) (as a percentage of initial pool POS) is 4.19% and first loss facility (FLF) and second loss facility (SLF), which is in the form of fixed deposit (FD), stands at 102% (as percentage of balance PTC POS) with nil utilisation. The credit enhancement (CE) available is sufficient to sustain ratings for the balance tenure.

Pool summary (as of Oct 2026 payout)	
Months post-securitisation	19
Pool amortisation	84.84%
30+ delinquency (percentage of the initial pool POS)	5.88%
90+ delinquency (percentage of the initial pool POS)	5.36%
Overdue amount (percentage of the initial pool POS)	4.19%
Cumulative Collection Efficiency (CCE)*	103.30%
FLF (percentage of the balance PTC POS)	56.28%
SLF (percentage of the balance PTC POS)	46.04%
Cumulative prepayments	9.56%

*includes advance collection

Key strengths:

- FLF and SLF as a percentage of balance PTC POS is over 102%, which remains unutilised, in addition to OC, which is ~55% of PTC POS.
- Well-defined payment mechanism and adherence to the transaction structure.

Key weakness:

- High delinquency with OD of 4.19% and 90+ DPD of 5.36% (as a percentage of initial pool POS).

Liquidity:

Series A1 PTCs - Strong

The inherent liquidity in the structure is strong. The interest payouts for Series A1 PTCs are promised monthly, while the principal of Series A1 PTCs is promised to be paid by final legal maturity. In case of delinquency, the payouts are expected to be supported by credit enhancement consisting of CC (consisting of FLF and SLF), principal subordination in the form of Series A2 PTCs, OC and EIS.

Series A2 PTCs - Strong

The inherent liquidity in the structure for the Series A2 PTCs is strong and it is supported by CC (consisting of FLF and SLF), OC, and EIS.

Second loss facility - Adequate

The inherent liquidity in the structure for the SLF is adequate and it is supported by the FLF and EIS.

Key rating assumptions and adequacy of credit enhancement:

CareEdge Ratings has analysed the transaction to assess whether the CE is sufficient to cover the shortfalls. Since the transaction is sensitive to the credit quality of the underlying pool, CareEdge Ratings has analysed the performance of pool and the overall portfolio performance of the originator. Considering the borrower profile, nature of the loan, pool characteristics, and portfolio performance, CareEdge Ratings has taken the average shortfall at 4.50%-5.50% of the POS. The base case shortfalls were

stressed and other key factors, such as the timing of shortfalls, recovery assumptions, and the time to recovery. The pool cash flow has been further adjusted for prepayments of underlying loans, assuming a monthly prepayment in the range of 0.50%-1.00%. CareEdge Ratings has stipulated credit enhancement, which is commensurate with credit rating of the PTCs.

Key risks, concerns, and mitigants:

The securitisation transaction involves several risks, including credit risk from borrower defaults, commingling risk due to time lags in fund deposits, basis risk from differing interest rate benchmarks, prepayment risk from early principal repayments, servicer bankruptcy risk, legal risk regarding the validity of receivable transfers, and counterparty risk involving transaction parties. These risks are factored while assigning rating, wherever needed, and partially mitigated through credit enhancements, separate record-keeping, credit rating/profile of the originator, transaction structuring, true sale of receivables, legal opinion from independent legal counsel. The transaction structure also has provision to change counterparties, such as trustee and banker among others.

Applicable criteria

Policy on Default Recognition
CARE Ratings' methodology for asset/mortgage-backed securitisation

About the Originator / Servicer and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Securitisation

RBL (erstwhile Ratnakar Bank) is a mid-sized private sector bank, incorporated in 1943. The bank gained status of a scheduled commercial bank in 1959. The bank is headed by R Subramaniakumar, who was appointed as Managing Director & CEO of the bank for three years from June 23, 2022. Its total gross loan book stands at ₹115,464 crore as on March 31, 2026. As on March 31, 2026, its operations are spread across 603 branches with 75% branches across metro cities. The bank's business correspondence branches stood at 1,339 as on March 31, 2026, of which majority belong to RBL Finserve Limited (RFL), a wholly owned subsidiary of RBL. Since past 20 years, RBL has been engaged in personal loan business and is an active player in securitisation/bilateral market. As on March 31, 2026, RBL has around five such live pools with initial size amounting to over ₹1,000 crore.

Key financial indicators – RBL Bank

Brief financials (₹ crore)	FY24 (A)	FY25 (A)	FY26 (A)
Total income	15,437	17,845	18,457
Profit after tax (PAT)	1,168	696	822
Total assets	137,859	1,46,725	1,80,685
Net interest income/Average total assets (NIM) (%)	4.76%	4.55%	3.89%
Gross non-performing assets (NPA) / gross stage 3 (%)	2.65%	2.60%	1.45%
Net NPA (%)	0.74%	0.29%	0.39%
Capital adequacy ratio (CAR) (%)	16.18%	15.54%	14.25%

A: Audited; Note: these are latest financial results available

Key terms of Servicer Contract:

The servicing agreement has covered role of the originator as the Collection and Payment Agent (CPA) for the special purpose vehicle (SPV) in managing collections from underlying borrowers, who have consented to such assignment through provisions incorporated in the respective loan agreements. The Servicer (originator) follows its standard procedures for collections, including recovery actions, and ensures timely transfers of funds to the SPV under an M+1 payment structure. The trustee monitors the sufficiency of funds for investor payouts one day prior to payout date and utilises CC in case of shortfall. The Servicer is also submitting detailed reports on billing, collections (including prepayment), overdue amounts with aging thereof, cash flow schedules to the trustee and other information as may be required by the trustee. The terms of the agreement have provisions for the appointment of an alternate servicer in case of servicer event of default.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Nil

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instruments/facilities: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities:

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Pass-through certificates	RBI	Highly Complex	INE1V1X15012	27-03-2025	8.75	19-03-2028	7.89	CARE AAA (SO)
Pass-through certificates	RBI	Highly Complex	INE1V1X15020	27-03-2025	11.00	19-03-2028	6.74	CARE AA- (SO)
Second loss facility	RBI	Highly Complex	-	27-03-2025	-	-	6.74	CARE A+ (SO)

Annexure-2: Rating history for last three years:

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Pass-through certificates	LT	7.89	CARE AAA (SO)	-	1)CARE AA+ (SO) (10-Mar-26) 2)CARE AA+ (SO) (05-Jun-25)	1)Provisional CARE AA+ (SO) (26-Mar-25)	-
2	Pass-through certificates	LT	6.74	CARE AA- (SO)	-	1)CARE A+ (SO) (10-Mar-26) 2)CARE A+ (SO) (05-Jun-25)	1)Provisional CARE A+ (SO) (26-Mar-25)	-
3	Second loss facility	LT	6.74	CARE A+ (SO)	-	1)CARE A (SO) (10-Mar-26) 2)CARE A- (SO) (05-Jun-25)	1)Provisional CARE A- (SO) (26-Mar-25)	-

LT-Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

Annexure-4: Lender details

Not applicable

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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