October 30, 2026(Revised)

Farmart Service Private Limited: Provisional [ICRA]A-(SO) assigned to Series A1 PTC and Provisional [ICRA]BBB(SO) to Series A2 PTC to be issued by AGRI XCHNG11 2026

Summary of rating action

Trust Name	Instrument*	Current Rated Amount (Rs. crore)	Rating Action	Financial sector regulator#
AGRI XCHNG11 2026	Series A1 PTC	16.25	Provisional [ICRA]A-(SO); assigned	SEBI
	Series A2 PTC	3.75	Provisional [ICRA]BBB(SO); assigned	

**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.

Rating in the absence of pending actions/documents	No rating would have been assigned as it would not be meaningful

Rationale

The pass-through certificates (PTCs) are backed by a pool of trade receivables arising from the invoices raised by Farmart Service Private Limited (Farmart/Originator) amounting to Rs. 25.00 crore.

The provisional rating is based on the strength of the cash flows from the selected pool of contracts along with the eligibility criteria for the follow-on pools, the credit enhancement available in the structure as well as the integrity of the legal structure. The rating is subject to the fulfilment of all the conditions under the structure and ICRA's review of the documentation pertaining to the transaction.

Transaction structure

The transaction structure is timely interest and ultimate principal (TIUP), wherein interest is promised on a monthly basis to the PTC holders and principal (100% of the pool principal billed) is promised on the final maturity date, which is at the end of the 18th month from the PTC issuance date. Further, the tenure of the pool shall be divided into two periods – replenishment period and amortisation period.

Replenishment period

The replenishment period will be for around 12 months from the commencement date of the transaction. During this period, the Series A1 PTC and Series A2 PTC investors will receive only the promised interest payouts on a monthly basis and the balance pool collections will be used by the trust to purchase additional identified receivables, as per the selection criteria. If there is any shortfall in assigning eligible contracts, the difference between the principal repayment of the pool and replenishment done for the month shall be held in the trust account and will be utilised in the subsequent month to purchase additional identified receivables.

The transaction also entails certain trigger events for early amortisation. A breach of any of these trigger events would lead to the end of the replenishment period and the start of the amortisation period.

Amortisation period

Post the replenishment period, the residual pool collections will be utilised to repay Series A1 PTC till it is live. The monthly cash flow schedule will comprise the promised interest payout to both, Series A1 PTC and Series A2 PTC. The principal for Series A1 PTC is expected to be paid on a monthly basis (100% of the pool principal billed) but is promised on the final maturity date. As per the expected schedule, the principal payment of Series A2 PTC would only be paid after Series A1 PTC is fully paid. There is an additional cushion of three months between the expected maturity and legal maturity to factor in delays in payments from the Buyers[1].

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 5.50% of the initial pool principal, amounting to Rs. 1.38 crore, to be provided by the Originator, (ii) net subordination[2] 26.99% of the initial pool principal for Series A1 PTC and 9.73% for Series A2 PTC.

Key eligibility criteria for the receivables

The purchase of the initial identified receivables and additional identified receivables shall be subject to the below selection criteria where the selection criteria will be monitored by the trustee.

- The Identified Receivables are unencumbered and all Invoices forming part of the pool are accepted by the Obligors (i.e., subject to any credit note adjustments);
- All Invoice(s) raised in connection with the Identified Receivables are 'Accepted Invoices' of the Obligors;
- None of the Obligors are subject to pending disputes or legal proceedings with respect to Invoices
- All the Invoices are existing and have not been terminated or prepaid by the Obligors, as on the Cut-off Date;
- Each Invoice has been fully accepted by the respective Obligor(s) (based on 'Good Receipt Notes (GRN)' and deduction report);
- As on the cut-off date, there are no invoices which are overdue for more than 10 days past the due date
- No Obligors have 45+ day past due (DPD) in the preceding 3 months (calculated from the Cut-off Date under the relevant Deed of Assignment);
- Each Obligor has fully repaid the entire amount of last 2 trade receivables within 90 days of the due date;
- The balance tenor of the Identified Receivables is not more than 90 days;
- Credit notes/advances per Obligor is not more than 5% of Identified Receivables;
- Identified Receivables comprise at least 15 Obligors during the Replenishment Period;
- The minimum vintage between the Seller and each of its Obligor, is at least 6 months;
- Buyer concentration must adhere to the following criteria
    - For Buyers rated A category and above, the concentration per Buyer would be a maximum of 15% while maximum concentration for the buyers in the A category would be 70%.
    - For the BBB category and ten pre-determined Buyers, the concentration per Buyer would be a maximum of 6% and they would constitute the balance percentage of the pool.

Key trigger events for early amortisation

On the occurrence of any of the following trigger events, the replenishment period will end immediately with no further loans/receivables being purchased and the PTCs will move to the amortisation period.

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[1] The Originator has identified a set of eligible Buyers for the transaction. The Buyers rated by a credit rating agency may change but will adhere to the concentration limits while the unrated Buyers will be fixed till the final maturity date

[2] The transaction has over-collateralisation of 35.00% of the initial pool of invoices, of which the scheduled PTC interest would be serviced, leading to net over-collateralisation of 26.99% for Series A1 PTC and 9.73% for Series A2 PTC principal payouts

[3] Pool Cover = N/D; where:

N = Sum of: (a) amount equivalent to the aggregate outstanding of all identified receivables acquired and held by the Trust on such date (that are not overdue beyond 30 days); (b) Amounts lying in/to the credit of the Collection and Payout Account that is attributable to the identified receivables and that is remaining unutilised in the Collection and Payout Account following the application of proceeds in accordance with the Waterfall Mechanism; and (c) CC

D = Amount equivalent to Series A1 PTC Subscription Amount or A1 PTC Outstanding amount, whichever is lower

(A) Any 'debt' (as defined in the IBC (hereinafter defined)) of the Seller or Servicer is not paid when due or any 'creditor' (as defined in IBC) of the Seller or Servicer declares any such debt due and payable prior to the date on which it would otherwise have become due;
(B) occurrence of any Seller's Event of Default or Servicer's Event of Default, including, without limitation, if the Seller/Servicer defaults on any of its payment obligations pertaining to the proposed structure or from other lenders;
(C) if 12% or more of the Identified Receivables are overdue (unpaid for 45 days beyond the due date(s)of the respective invoices);
(D) if the rating assigned to Series A1 PTCs at the time of the assignment of the Initial Identified Receivables is downgraded by 2 notches or more by the Rating Agency;
(E) failure of the Seller to provide sufficient receivables from its books (which meet the Selection Criteria) for sale to the Trust during the Replenishment Period such that the additional receivables being provided are less than 80% of the Accumulated Amounts (in the Collection and Payout Account);
(F) if the Seller, wilfully or due to its negligence, fails to provide sufficient receivables (which meet the Selection Criteria) for sale to the Trust during the Replenishment Period;
(G) failure on the part of the Seller or Servicer to perform any of their covenants, obligations or undertakings under the Transaction Documents, wherein such non-compliance is not cured within 15 business days from the date of occurrence of such failure, provided that the cure period applicable to the obligations regarding replenishment of the Identified Receivables will be 5 business days from the date of occurrence of such failure;
(H) any of the representations or warranties made by the Seller or Servicer under the Transaction Documents being found to be false, untrue, misleading or incorrect as of the date on which such representation was given, wherein such non-compliance is not cured within 15 business days from the date of occurrence of such failure, provided that the cure period applicable to the obligations regarding replenishment of the Identified Receivables will be 5 business days from the date of occurrence of such failure;

(I) if the Identified Receivables do not meet the Selection Criteria;
(J) **if the Pool Cover falls below 1.22;**
(K) (i) occurrence of any 'Insolvency Related Event'; (ii) or if there is any proceeding commenced against the Seller/ Servicer, wherein such event or proceeding is not stayed, vacated, and/or dismissed (as the case may be) within 14 calendar days of commencement of such event or proceeding. For the purposes of this Clause, 'Insolvency Related Event means any of the following:

a. filing of an insolvency application under the IBC or any analogous proceedings under any similar insolvency, winding up or liquidation laws;
b. any resolution is passed either by the creditors or the shareholders of the Seller/ Servicer or any other action is taken which may result in a voluntary or other insolvency process, winding up or liquidation of the Seller/ Servicer;
c. an order for insolvency process, liquidation or winding up of the Seller/ Servicer is made by any competent court; the Seller/ Servicer has taken or suffered to be taken any action for its reorganisation, liquidation or dissolution;
d. an insolvency resolution professional, a receiver, liquidator or any other equivalent professional has been appointed or allowed to be appointed ofa/l or any part of the undertaking of the Seller/Servicer;
e. any insolvency professional, any receiver / assignee or trustee or similar other officer is appointed by any court or any other competent authority in any insolvency, winding up, execution or distress proceedings against the Seller/ Servicer;
f. if any of the Underlying Document(s) are found to be unenforceable or unlawful on account of the failure of the Seller/ Servicer to obtain any authorisation required by or from any governmental authority;

Key rating drivers and their description

Credit strengths

Presence of credit enhancement in form of cash collateral and subordination - The first line of support for Series A1 PTC in the transaction is in the form of a principal subordination of 26.99% of the initial pool principal (comprising the principal payable to Series A2 and overcollateralisation). Further, subordination of 9.73% of the initial pool principal (comprising of overall collaterlisation) could be available for Series A2 PTC. A CC of Rs. 1.38 crore (5.50% of the initial pool principal as on the cut-off date), to be provided by the originator, would act as further credit enhancement in the transaction. In the event of a

shortfall in meeting the promised PTC payouts, the trustee will utilise the CC to meet the same. Further, there is a buffer of three months between the expected and legal maturity date built into the transaction structure.

Established relationships between Originator and Buyers – The Originator has established relationships with most of the buyers with average vintage of ~37 months for the initial pool as on the cut-off date. This is also supported by the eligibility criteria for the follow-on pools where minimum vintage between the Originator and Buyer should be of three months.

No commingling risk – As per the transaction structure, the payments from the Buyers would be received in a common escrow account operated by the Originator, but the debit will be controlled by the trustee. The payments relating to the assigned invoices would then be passed on to the Collection and Payout Account of the PTC trust. Thus, ICRA notes that there would be no commingling of funds for the transaction with the Originator's own cashflows.

Credit challenges

Risk of delays in payments by Buyers – The risk of non-payment by Buyers can be deemed to be higher on account of underlying obligations being operational in nature vis-à-vis the obligations to its financial creditors. Nonetheless, the trust would be entitled to all the rights under the Insolvency and Bankruptcy Code, 2016, which would be a mitigant.

Moderate credit quality of the buyers and high buyer concentration risk – As per the eligibility criteria, the receivables should represent at least 70% of the Obligors with credit rating of A- or higher and Obligors with credit rating of BBB category and 10 pre-defined buyers can form balance 30% of the invoice pool. Further, the pool would remain concentrated with the top buyer's exposure capped at 15% of the invoice pool in A and above rating category and 6% of the invoice pool in BBB category and 10 pre-defined buyers and thus the transaction would remain exposed to any material disputes between the Buyer and the Originator such that the Buyer does not honour the obligated payments. However, the replenishment pool will be guided by certain selection criteria which acts as a mitigant, such as no Buyer should have 45+ dpd during the previous three months, each Buyer has to fully repay the entire amount of last two trade receivables within 90 days of the due date and at least 15 Buyers shall be there in the pool at all times during the replenishment period. Further, each invoice from the Buyers shall be a fully accepted invoice and there should be no overdue for more than 10 days past the due date as on the cut-off date to be eligible for the replenishment pool.

Originators meeting relatively small share of procurement needs of buyers – The Originator would be meeting a relatively small share of the procurement needs of some of the Buyers, given the large scale of operations of the latter. However, ICRA takes comfort from the established relationships of Originator with most of the Buyers, past track record of payments from the Buyers that have been largely within the contractual terms.

Key rating assumptions

ICRA's cash flow modelling for rating securitisation transactions involves the simulation of potential losses in the pool. ICRA's rating assumption for the quality of the cash flows being securitised, along with the tenure of the payments, has been considered to estimate the default probability of each underlying Buyer payment. Additionally, a certain degree of correlation is assumed in the performance of the various entities in the pool as they are in the same sector/sub-sector. ICRA has also taken note of the Originator's track record in the business. Moreover, the cash flow modelling considers the assumptions regarding the build-up of delinquency/loss and the transaction structure.

Liquidity position: Adequate

The liquidity for Series A1 PTC and Series A2 PTC instruments is adequate after factoring in the credit enhancement available to meet the promised payout to the investors.

Rating sensitivities

Positive/Negative factors – The rating is unlikely to be revised during the replenishment period. Any rating revision would depend on the performance of the underlying pool and the credit enhancement utilisation during the amortisation period. The rating would also be sensitive to the credit profile of Buyers and the track record of payments in the normal course of business. The rating could be downgraded on non-adherence to the key transaction terms envisaged at the time of providing the rating.

Analytical approach

The rating action is based on the legal structure of the transaction and factors in the payment mechanism along with the credit profile of the Buyers.

Analytical Approach	Comments
Applicable rating methodologies	Rating Methodology – Collateralised Debt Obligations
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

Pending actions/documents required to be completed for conversion of the provisional rating into final

The assigned rating is provisional and would be converted into final upon the execution of:

1. Trust deed
2. Assignment Agreement
3. Power of Attorney
4. Legal opinion
5. Trustee letter
6. Other key or important documents executed for the transaction

Validity of the provisional rating

The trust is expected to complete the pending actions/execute the pending documents in the near term. However, in case of continued pendency of the actions/documents beyond one year of this publication, the provisional rating would be withdrawn for the transaction even if the instrument has been issued.

Risks associated with the provisional rating

In case the issuance is completed, but the pending actions/documents are not completed for the transaction within one year (validity period) from the assignment of the rating, the provisional rating will be withdrawn in accordance with ICRA's Policy on Provisional Ratings available at www.icra.in.

About the Originator

Farmart Service Private Limited (FSPL) was incorporated in December 2015 by Mr. Alekh Sanghera and Mr. Mehtab Hans and is a SaaS B2B food commerce platform serving Asia, Middle East, and Africa. It is a fully integrated digital market linkage platform for food communities. The company provides digital infrastructure, market linkages and financial capital to its network of food producers, processors and enterprises. As of June 2026, the company has built a network of around 320,000 farm aggregators, over 4.3 million farmers, and over 5,500 food businesses across the globe. The company runs on an asset light model and has four main revenue verticals in the form of procurement services, export services, consumer produced goods and value-added services.

Key financial indicators

Standalone	FY2024	FY2025	FY2026
	Audited	Audited	Audited
Operating income (OI)	1,377.2	1,974.6	2,694.8
Profit after tax (PAT)	(37.3)	(68.9)	(69.1)
OPBITDA / OI	(2.0%)	(0.9%)	(0.9%)
PAT / OI	(2.7%)	(3.6%)	(2.6%)
Total outstanding liabilities/Tangible net worth (times)	0.9	2.4	2.6
Total debt / OPBITDA (times)	(7.5)	(15.3)	(9.6)
Interest coverage (times)	(1.3)	(0.5)	(0.6)

Source: Company, ICRA Research; All ratios are as per ICRA calculations
OPBIT–Operating profit before interest, tax, depreciation and amortization
Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust Name	Current Rating (FY2027)			Chronology of Rating History for the Past 3 Years		
	Instrument	Current Rated Amount (Rs. crore)	Date & Rating in FY2027	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
			October 30, 2026	-	-	-
AGRI XCHNG11 2026	Series A1 PTC	16.25	**Provisional [ICRA]A-(SO)**	-	-	-
	Series A2 PTC	3.75	**Provisional [ICRA]BBB(SO)**			

Complexity level of the rated instrument

Instrument	Complexity Indicator
Series A1 PTC	Highly Complex
Series A2 PTC	Highly Complex

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

Trust Name	Instrument Type	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Current Rated Amount (Rs. crore)	Current Rating	Financial sector regulator#
AGRI XCHNG11 2026	Series A1 PTC	To be issued	NA	18 months post issuance	16.25	Provisional [ICRA]A-(SO)	SEBI
	Series A2 PTC	To be issued	NA	18 months post issuance	3.75	Provisional [ICRA]BBB(SO)	

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Not applicable

Corrigendum:

Document dated October 30, 2026 has been corrected with revision as detailed below:

On page number 2, the transaction structure in the amortisation period has been revised from "The monthly cash flow schedule will comprise the promised interest payout for Series A1 PTC" to "The monthly cash flow schedule will comprise the promised interest payout to both, Series A1 PTC and Series A2 PTC."

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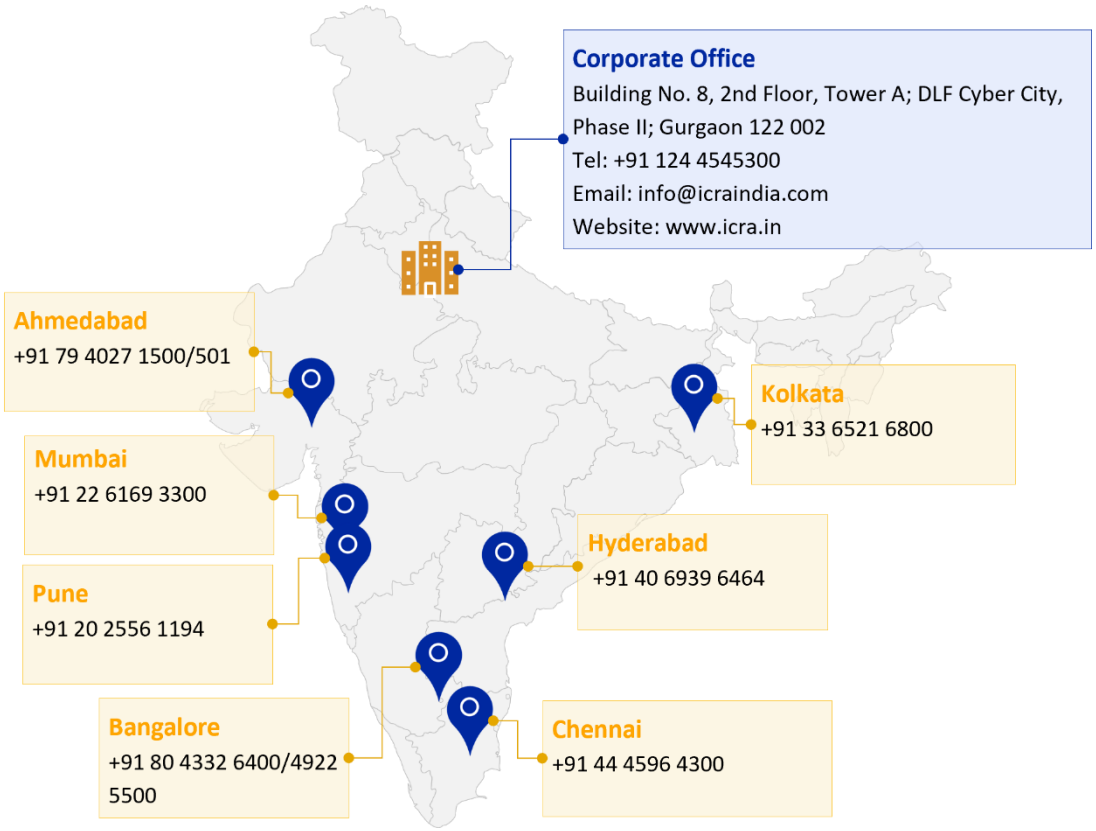

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