November 03, 2026

Ascend Bizcap Private Limited: Rating reaffirmed for PTCs issued under electric three-wheeler loan receivables securitisation transaction

Summary of rating action

Trust name	Instrument*	Initial rated amount (Rs. crore)	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Magnatron November 2025	Series A1 PTCs	9.52	9.52	5.53	[ICRA]A-(SO); reaffirmed	RBI$

**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.

$By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issue

Rationale

The pass-through certificates (PTCs) are backed by a pool of electric three-wheeler (EV-3W; in the form of E-autos/loaders/L5 product) loan receivables originated by Ascend Bizcap Private Limited {ABPL/Originator; rated [ICRA]BBB- (Stable)}[1]. ABPL is also the servicer for the transaction.

The rating reaffirmation factors in healthy performance of the underlying pool. The rating also draws comfort from the fact that the breakeven collection efficiency is comfortably lower compared to the actual collection levels observed in the pool till the September 2026 payout month.

Pool performance summary

Parameters	Magnatron November 2025
Payout month	September 2026
Months post securitisation	9
Pool amortisation	34.8%
PTC Amortization: **Series A1 PTCs**	41.9%
Cumulative collection efficiency[2]	97.7%
Monthly collection efficiency	95.0%
Loss-cum-90+ dpd[3] (% of initial pool)	1.3%
Cumulative cash collateral (CC) utilisation	Nil
CC available (as % of balance pool)	4.6%
Excess interest spread (EIS[4]; % of balance pool) for Series A1 PTCs	13.5%
Principal subordination (% of balance pool) for Series A1 PTCs	26.1%
Breakeven collection efficiency (% of balance pool) for Series A1 PTCs	62.7%

[1] The current rating rationale of the originator, available at this link, provides its detailed rating history and rating transitions.

[2] (Cumulative current and overdue collections till date) / (Cumulative billing till date)

[3] Inclusive of unbilled and overdue principal portion of delinquent contracts overdue by more than 90 days, as a % of pool at the time of securitisation

[4] (Pool cash flows – Cash flows to PTC investors – Originator's residual share)/Pool principal outstanding

Transaction structure

As per the transaction structure, the monthly cash flow schedule comprises the promised interest payout. The principal is expected to be paid on a monthly basis (100% of the pool principal billed) but is promised on the final maturity date. Any surplus excess interest spread (EIS), after meeting the promised and expected payouts, will flow back to the Originator on a monthly basis. Any prepayment in the pool would be used for the prepayment of the Series A1 PTCs principal.

In case the portfolio at risk (PAR)>90 of the pool exceeds 5% of the pool principal, the available EIS will be used for the redemption of Series A1 PTCs until the same is outstanding

Key rating drivers and their description

Credit strengths

Build-up of credit enhancement – The rating factors in the build-up in the credit enhancement with the cash collateral (CC) increasing to ~5% of the balance pool principal from 3% at the time of securitisation. Credit support is also available through subordination and EIS in the transaction.

Healthy pool performance – The pool's performance has been healthy with a cumulative collection efficiency of ~98% as on September 2026 payout, which has resulted in lower delinquency with the 90+ days past due (dpd) at ~1%. The break-even collection efficiency is lower than the actual collections seen in the pool. Further, there have been no instances of cash collateral utilisation for the pool till date owing to healthy collection performance and the presence of EIS in the transaction.

Credit strengths

Limited track record – ABPL is a relatively new entrant in the non-banking financial company (NBFC) lending space. It provides finance to the underserved customers in tier 2 and 3 cities by offering them loans for purchase of new commercial electric vehicles (EVs) and batteries. It started disbursement of E-auto /E-loaders (asset class in the pool) in January 2024. Thus, the scale of operation remains modest with limited seasoning.

High geographical concentration – The pool has high geographical concentration with the top two states, viz Uttar Pradesh and Delhi contributing ~85% to the balance pool principal amount. The pool's performance would thus be exposed to any state-wide disruption that may occur due to natural calamities, political events, etc.

Risks associated with lending business – The pool's performance would remain exposed to macro-economic shocks, business disruptions and natural calamities that may impact the income-generating capability of the borrowers and their ability to make timely repayments of their loans.

Key rating assumptions

ICRA's cash flow modelling for rating securitisation transactions involves the simulation of potential losses, delinquencies and prepayments in the pool. The losses and prepayments are assumed to follow a log-normal distribution. The assumptions for the losses and coefficient of variation are considered on the basis of the values observed from the analysis of the past performance of the Originator's loan portfolio as well as the characteristics of the specific pool being evaluated. The resulting collections from the pool, after incorporating the impact of the losses and prepayments, are accounted for in ICRA's cash flow model, in accordance with the cash flow waterfall of the transaction.

For the current pool, ICRA has estimated the shortfall in the pool principal collection during its tenure at 4.50% of the initial pool principal with certain variability around it. The average prepayment rate for the underlying pool is modelled in the range of 4.8% to 18.0% per annum. Various possible scenarios have been simulated at stressed loss levels and prepayment rates and the incidences of default to the investor as well as the extent of losses are measured after factoring in the credit enhancement to arrive at the final rating for the instrument.

Terms of the servicer contract

The servicing agreement covers the role of the originator as the collection and payment agent (CPA) for special purpose vehicle (SPV) in managing collections from underlying borrowers, who have consented to such assignment through provisions incorporated in respective loan agreements. The servicer (originator) follows its standard procedures for collections, including recovery actions, and ensures timely transfers of funds to the SPV. The trustee monitors sufficiency of funds for investor payouts and will utilize the CC in case of shortfall. The servicer is also submitting detailed reports on billing, collections (including prepayment), overdue (OD) amounts with aging thereof, cash flow schedules to the trustee and such other information as may be required by the trustee.

Provision for appointment of back-up servicer

The Trustee (acting on the instructions of the investors) as per the terms of the securitisation documents, has the right to appoint any other person acceptable to the investors and rating agency to act as a servicer for the transaction.

Details of key counterparties

The key counterparties in the rated transaction is as follows:

Transaction Name	Magnatron November 2025
Originator	Ascend Bizcap Private Limited.
Servicer	Ascend Bizcap Private Limited.
Trustee	MITCON Credentia Trusteeship Services Limited
CC holding bank	AU Small Finance Bank
Collection and payout account Bank	ICICI Bank Limited

Liquidity position

Strong for Series A1 PTCs

The liquidity for the PTC instrument is strong after factoring in the credit enhancement available to meet the promised payout to the investors. The total credit enhancement would be ~5.50 times the estimated loss in the pool for the PTC.

Rating sensitivities

Positive factors – The sustained strong collection performance of the underlying pool of contracts leading to lower-than-expected delinquency levels, and an increase in the cover available for future investor payouts from the credit enhancement would result in a rating upgrade.

Negative factors – The sustained weak collection performance of the underlying pool of contracts leading to higher-than-expected delinquency levels and higher credit enhancement utilisation levels, would result in a rating downgrade. Weakening in the credit profile of the servicer (ABPL) could also exert pressure on the rating.

Analytical approach

The rating action is based on the performance of the pool till the September 2026 payout month, the present delinquency profile of the pool of contracts, the performance expected over the balance pool tenure, and the credit enhancement available in the transaction.

Analytical approach	Comments
Applicable rating methodologies	Rating Methodology for Securitisation Transactions
Parent/Group support	Not applicable
Consolidation/Standalone	Not applicable

About the originator

ABPL, a non-deposit accepting non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI), was incorporated in June 2019 and is based in Jaipur (Rajasthan). It was founded by Mr. Lokesh Chandra (prior experience in financial services) and Mr. Gaurav Maheswari (prior experience in tech-driven risk modelling).

ABPL is a majority-owned subsidiary of LCGM Technologies Private Limited (LCGM), which previously housed the technology platform and is majority held by the two founders of ABPL. As on March 31, 2026, LCGM held a 50.5% stake in ABPL on a fully diluted basis followed by Info Edge Capital (24.8%) and Asha Ventures (24.8%).

Key financial indicators (audited)

	FY2024	FY2025	FY2026
Total income	13.7	21.8	50.3
Profit after tax	0.1	1.6	10.0
Total managed assets	88.3	163.7	238.6
Gross NPA	3.0%	1.7%	2.6%
CRAR	63.6%	41.0%	34.8%

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

Risks and concerns for investors and mitigating factors

ICRA notes that the total credit enhancement available in the transaction, comprising excess interest spread (EIS), subordination, and cash collateral, is sufficient to absorb stressed collection shortfalls commensurate with the assigned rating. The rating also factors in key credit,counterparty, and legal risks, based on an assessment of the transaction structure and documentation.

The transaction is exposed to risks such as borrower defaults, commingling, prepayments, servicer bankruptcy, legal enforceability of receivable transfers, and counterparty performance. These risks have been considered in the rating and are mitigated through available credit enhancement, transaction structuring, the originator's credit profile, and legal opinions from independent counsel.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Ascend Bizcap Private Limited is rated by ICRA and its rating was never migrated to speculative / default category in the past. The current rating rationale of the originator, available at this link

Rating history for past three years

Trust name	Current rating (FY2027)				Chronology of rating history for the past 3 years			
	Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026		Date & rating in FY2025	Date & rating in FY2024
				November 03, 2026	November 27, 2025	November 17, 2025	-	-
Magnatron November 2025	Series A1 PTCs	9.52	5.53	**[ICRA]A-(SO)**	**[ICRA]A-(SO)**	**Provisional [ICRA]A-(SO)**	-	-

Complexity level of the rated instruments

Trust name	Instrument	Complexity indicator
Magnatron November 2025	Series A1 PTCs	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

ISIN	Trust name	Instrument type	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current amount rated (Rs. crore)	Current rating	Financial sector regulator[#]
INE2MZB15016	**Magnatron November 2025**	**Series A1 PTCs**	November 21, 2025	11.50%	September 25, 2028	5.53	[ICRA]A-(SO)	RBI[$]

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Not applicable

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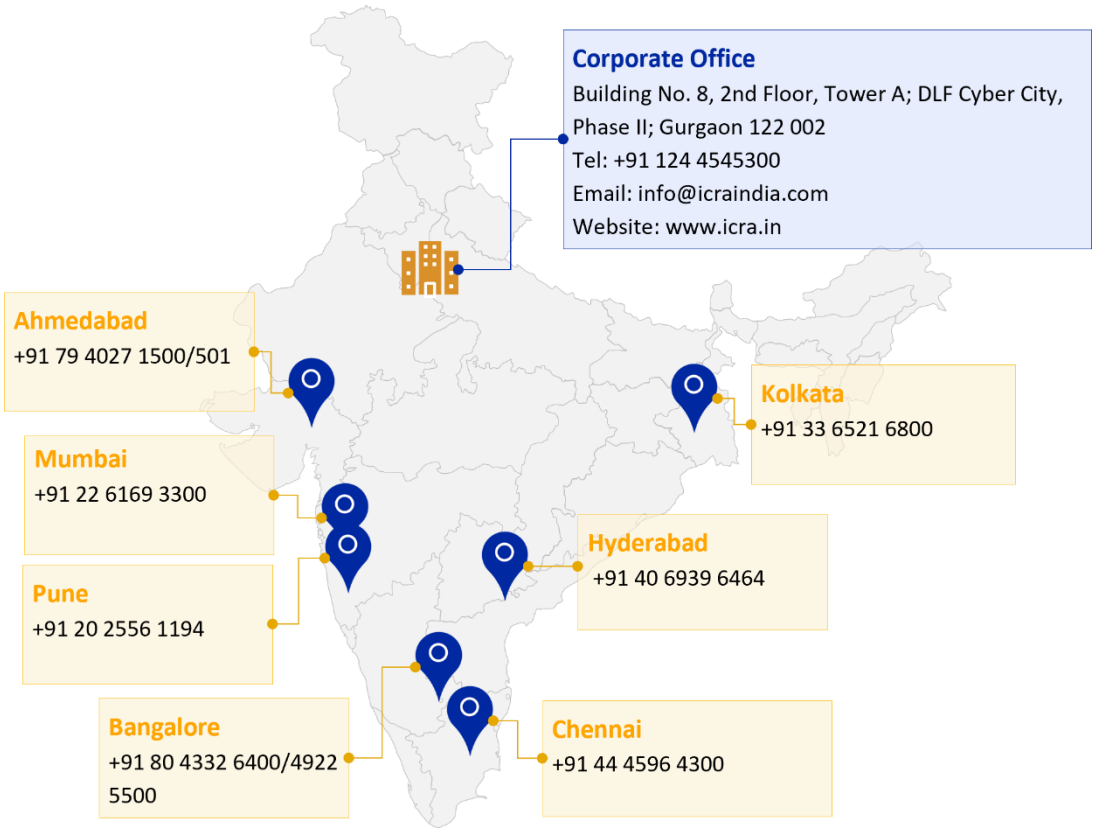

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