

June 30, 2025

Vriksh Advisors Private Limited: Rating reaffirmed for PTCs issued under a lease rental receivables securitisation transaction

Summary of rating action

Trust name	Instrument*	Initial rated amount (Rs. crore)	Amount O/s after last surveillance (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Grip Prosperity Asset 1	Series 1 PTCs	4.42	NA	2.71	[ICRA]B+(SO); reaffirmed

*Instrument details are provided in Annexure I

Rationale

The pass-through certificates (PTCs) issued by Grip Prosperity Asset 1 under a securitisation transaction originated by Vriksh Advisors Private Limited (Vriksh/Originator/Lessor) are backed by lease rentals from Waterval Labs Private Limited (WLPL/Obligor/Lessee) for water purifiers leased by Vriksh.

The receivables comprise all rental payments, including the goods and services tax (GST) component and tax deducted at source (TDS), due from the Lessee to the Lessor as per the terms of the Master Rent Agreement (MRA).

The rating reaffirmation factors in the timely payment of lease rentals by the Lessee up to the June 2025 payout month, the credit profile of the Lessee and the integrity of the legal structure.

Pool performance summary

The PTCs were issued in May 2024 with quarterly payments due from June 2024. The scheduled payments on the PTCs were met in full until June 2025 without any instance of delays.

Transaction structure

As per the transaction structure, the rentals payable by the Lessee would be at quarterly intervals over a period of 2.81 years. The receivables shall include all lease rental payments due from the Lessee to the Lessor. During the tenor of the transaction, the PTCs will be paid on a quarterly basis. However, the principal and the interest payment on the PTCs are promised on the final maturity date, which is 34 months the date of issuance.

Key rating drivers and their description

Credit strengths

No commingling risk – The transaction structure ensures no commingling of the receivables, with the Originator effectively carrying the credit risk of the Lessee (WLPL). The Lessee shall directly transfer the rentals into the collection and payout account of the trust.

Established payment track record – There is an established payment track record of lease payment for more than two years between Vriksh and the Lessee under other existing lease agreements, which provides comfort.

Cushion of ~20 days between rental payments and PTC payout dates – A gap of 18-20 days exists between the due dates of the rental payments and the corresponding PTC payout dates. This provides comfort in case of a delay in the payment of lease

rentals, which are operational in nature. Further, there is a gap of 70 days between the last payout date and the legal maturity date.

Servicing capability of originator – The company has adequate processes for servicing the loan accounts in the securitised pool. It has a considerable track record of regular collections and recoveries across a wide geography and multiple economic cycles.

Credit challenges

Single obligor – The pool has a single obligor. Hence, the payouts on the instrument are strongly linked to the credit profile of the obligor.

Key rating assumptions

To arrive at the rating, ICRA has relied on the credit profile of the Lessee. Also, it has considered the track record of timely payments till date, the past track record between the Lessor and the Lessee and various other structural features of this transaction.

Details of key counterparties

The key counterparties in the rated transaction are as follows:

Transaction name	Grip Prosperity Asset 1
Originator	Vriksh Advisors Private Limited
Servicer	Vriksh Advisors Private Limited
Trustee	Axis Trustee Services Limited
CC holding bank	Not applicable
Collection and payout account bank	Yes Bank Limited

Liquidity position: Stretched

WLPL's payment obligations to Vriksh are being securitised in the proposed transaction. As per the transaction structure, the interest and the principal amount are promised to the PTC holders on the scheduled maturity date of the transaction. Based on the on-balance sheet liquidity available with WLPL to meet its various payment obligations, the liquidity is deemed to be stretched for the transaction to meet the promised payouts to the PTC Series 1 investors.

Rating sensitivities

Positive factors – The rating can be upgraded if there is an improvement in the credit profile of the Lessee.

Negative factors – The rating can be downgraded if there is a deterioration in the credit profile of the Lessee or non-adherence to the terms of the transaction. The rating would be under pressure if delays are observed in the lease payments by the Lessee.

Analytical approach

The rating action is based on the performance of the pool along with the credit profile of the Lessee.

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

About the originator/lessor

Vriksh Advisors Private Limited (Vriksh) is in the business of leasing various movable assets to identified customers on an operating lease model for a mutually agreed period. Concurrently, it assigns all or a significant portion of the lease rent receivables from its customers on a non-recourse basis to third parties. Till March 2025, Vriksh had originated 12 LeaseX (leasing transaction via securitisation structure is referred to as LeaseX) opportunities, which were executed in the form of securitised debt instruments (SDIs). These 12 transactions had a cumulative value of ~Rs. 105 crore and involved more than 20 lessees with monthly/quarterly payouts to investors.

Grip Invest Technologies Private Limited (Grip), which is Vriksh's related entity, operates a digital platform to discover alternate investment options and offers its users access to various asset-backed, fixed income asset classes. Asset-backed leasing is the primary asset class offered to its users. Grip has seen 26,000 investors invest more than Rs. 1,000 crore since its launch four years ago. It has enabled leasing to over 135 companies with a focus on mobility, warehousing, medical equipment, furniture, etc. Grip has raised equity capital from institutional investors like Stride Ventures, Venture Highway, Endiya Partners, AdvantEdge, Anicut Capital, Nueva Capital and Multiply Ventures.

Key financial indicators

Vriksh	FY2023	FY2024	FY2025
Total income	0.15	0.79	5.14
Depreciation	-	-	-
Interest	0.92	2.73	2.12
Profit after tax (PAT)	(3.28)	(7.93)	2.93
Total debt	23.31	14.78	12.02

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

About the lessee

Waterval Labs Private Limited (WLPL) has been providing water purifiers via a subscription model for the past seven years under the brand name 'Drink Prime'. It has proprietary technology for Internet of Things (IoT) BOT for the said water purifiers, which helps monitor the water quality (like checking hardness of water, etc) and assists in calculating the consumption of users. The unique selling point (USP) of the subscription-based model is cost savings for the customer. Drink Prime's subscription model is based on the number of litres consumed, which includes the maintenance cost. It can be litre-based (if the subscribed number of litres is consumed before the month ends, the user can recharge the number of litres) or time-based (in case the month has ended, the user can recharge for another month).

Key financial indicators

WLPL	FY2023	FY2024	FY2025*
Operating income (OI)	28.9	46.9	70.5
OPBITDA	-19.6	-6.4	-4.7
Depreciation	4.8	5.7	5.8
Interest	3.2	2.9	3.2
Profit after tax (PAT)	-27.4	-14.1	-11.6
Total debt	23.0	12.4	24.7
Tangible net worth (TNW; times)	8.2	5.3	8.3

Source: WLPL and ICRA Research; *Results are provisional in nature; 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

Trust name	Current rating (FY2026)				Chronology of rating history for the past 3 years			
	Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024	Date & rating in FY2023
				Jun 30, 2025	Jun 04, 2024	May 27, 2024		
Grip Prosperity Asset 1	Series 1 PTCs	4.42	2.71	[ICRA]B+(SO)	[ICRA]B+(SO)	Provisional [ICRA]B+(SO)	-	-

Complexity level of the rated instrument

Trust name	Instrument	Complexity indicator
Grip Prosperity Asset 1	Series 1 PTCs	Moderately 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	Date of issuance /Sanction	Coupon rate	Maturity date	Current rated amount (Rs. crore)	Current rating
INE0WVY15010	Grip Prosperity Asset 1	Series 1 PTCs	May 28, 2024	15.1%^	May 11, 2027	2.71	[ICRA]B+(SO)

[^]Gross pre-tax yield (quarterly compounded)

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not applicable

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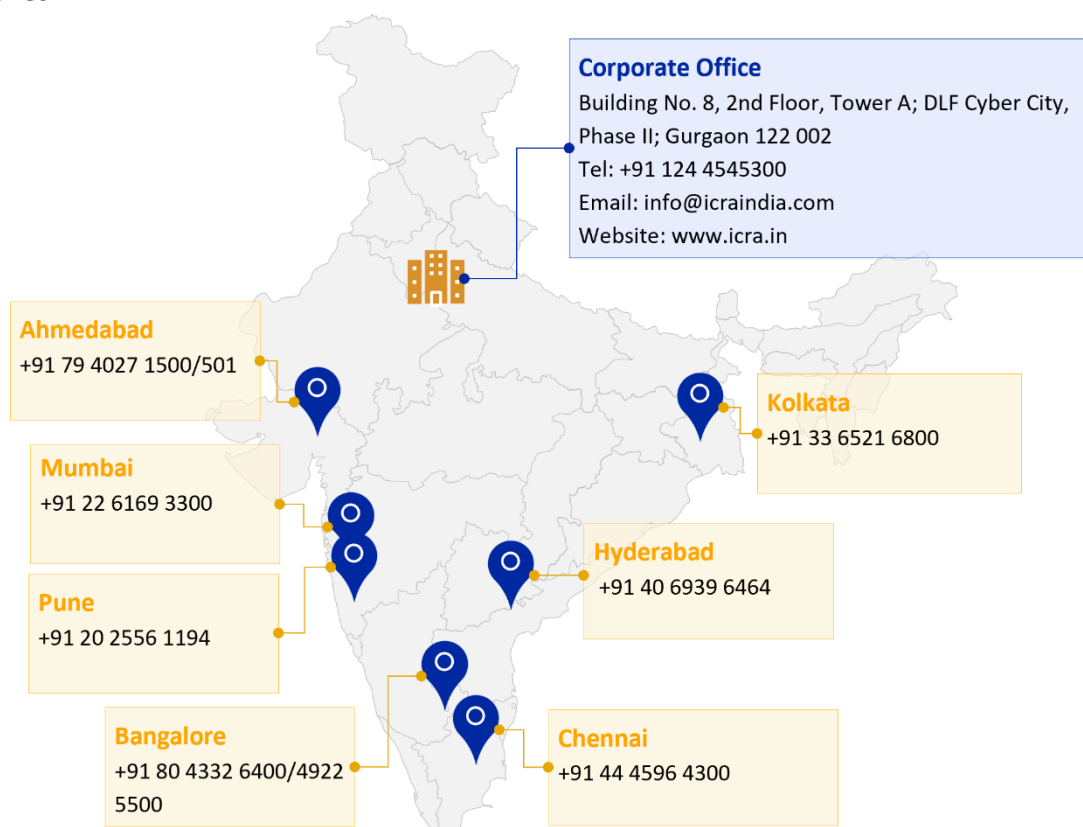


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