

November 27, 2025

## Ascend Bizcap Private Limited: Rating confirmed as final for PTCs backed by electric three-wheeler loan receivables issued by Magnatron November 2025

### Summary of rating action

Trust name	Instrument*	Current rated amount (Rs. crore)	Rating action
Magnatron November 2025	Series A1 PTCs	9.52	[ICRA]A-(SO); provisional rating confirmed as final

\*Instrument details are provided in Annexure I

### Rationale

ICRA had assigned provisional rating to Series A1 PTCs issued by Magnatron November 2025 under a securitisation transaction originated by Ascend Bizcap Private Limited {ABPL/Originator; rated [ICRA]BBB- (stable)}. The 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 ABPL with an aggregate principal outstanding of Rs. 11.47 crore (pool receivables of Rs. 14.75 crore). ABPL also acts as the servicer for the rated transaction.

Since the executed transaction documents are in line with the rating conditions and the legal opinion for the transaction has been provided to ICRA, the said rating has now been confirmed as final.

### 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.

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 3.00% of the initial pool principal, amounting to Rs. 0.34 crore, provided by the Originator, (ii) principal subordination of 17.00% of the initial pool principal for Series A1 PTCs, in the form of Equity Tranche, and (iii) the EIS of 18.63% of the pool principal for Series A1 PTCs.

### Credit strengths

**Granular pool with available credit enhancement** – The pool is granular, consisting of 451 contracts, with top 10 borrowers forming less than 5% of the pool principal, thereby reducing the exposure to any single borrower. Further, the credit enhancement available in the form of the CC, subordination and EIS would absorb some amount of the losses in the pool and provide support in meeting the PTC payouts.

**No overdue contracts in the pool** – The pool has been filtered in such a manner that there are no overdue contracts as on the cut-off date. Further, ~98% of the pool principal has contracts which have never been delinquent post loan disbursement, thereby reflecting the borrowers' relatively better credit profile, which is a credit positive.

**Seasoned contracts in the pool** – The pool has moderate weighted average amortisation of ~18% as on the cut-off date thereby reflecting buildup of borrower equity to an extent.

## Credit challenges

**Limited track record** – ABPL is a relatively new entrant in the non-banking financial company (NBFC) and digital 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 initial 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 the 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 5.75% of the 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.

## Details of key counterparties

The key counterparties in the rated transaction are as mentioned below:

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:

### Liquidity position: Strong for Series A1 PTCs

The liquidity for the Series A1 PTCs instrument is strong after factoring in the credit enhancement available to meet the promised payout to the investors. The total credit enhancement would be ~5.00 times the estimated loss in the pool for Series A1 PTCs.

## Rating sensitivities

**Positive factors** – The rating could be upgraded on the strong collection performance of the underlying pool (monthly collection efficiency >95%) on a sustained basis, leading to the build-up of the credit enhancement cover for the remaining payouts.

**Negative factors** – The sustained weak collection performance of the underlying pool (monthly collection efficiency <90%), 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 could also exert pressure on the rating.

## Analytical approach

The rating action is based on the trustee confirming compliance with the terms of the transaction and the executed transaction documents being in line with the terms initially shared with ICRA.

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Securitisation Transactions</a>
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 (having prior experience in financial services) and Mr. Gaurav Maheswari (having 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 September 30, 2025, LCGM holds 50.49%, while Info Edge Venture and Asha Venture each hold 24.75%.

## Key Financial Indicators (audited)

	FY2024	FY2025	Q1FY2026*
Total income	13.7	21.8	10.4
Profit after tax	0.1	1.6	2.2
Total managed assets	88.3	163.7	189.8
Gross NPA	3.0%	1.7%	1.4%
CRAR	63.6%	41.0%	37.0%

Source: Company, ICRA Research; Amount in Rs. crore; \*Provisional

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Trust name	Instrument	Amount rated (Rs. crore)	Current rating (FY2026)		Chronology of rating history for the past 3 years			
			Current rated amount (Rs. crore)	Date & rating in FY2026		Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023
				November 27, 2025	November 17, 2025			
Magnatron November 2025	Series A1 PTCs	9.52	9.52	[ICRA]A-(SO)	Provisional [ICRA]A-(SO)	-	-	-

## Complexity level of the rated instrument

Instrument	Complexity indicator
Series A1 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 name	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Amount rated (Rs. crore)	Current rating
INE2MZB15016	Magnatron November 2025	Series A1 PTCs	November 21, 2025	11.50%	September 25, 2028	9.52	[ICRA]A-(SO)

Source: Company

#### Annexure II: List of entities considered for consolidated analysis

Not applicable

## ANALYST CONTACTS

**Manushree Sagar**

+91 124 4545 316

[manushrees@icraindia.com](mailto:manushrees@icraindia.com)

**Himanshi Doshi**

+91 22 6114 3410

[himanshi.doshi@icraindia.com](mailto:himanshi.doshi@icraindia.com)

**Shruti Jain**

+91 22 6114 3414

[shruti.jain2@icraindia.com](mailto:shruti.jain2@icraindia.com)

**Sachin Joglekar**

+91 22 6114 3470

[sachin.joglekar@icraindia.com](mailto:sachin.joglekar@icraindia.com)

**Vishal Oza**

+91 22 6114 3472

[vishal.oza2@icraindia.com](mailto:vishal.oza2@icraindia.com)

## RELATIONSHIP CONTACT

**Mr. L. Shivakumar**

+91 22 6169 3304

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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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.

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For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



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