

CONFIDENTIAL

Ref No: ICRA/SF/Fourdegreewater Services Private Limited/28082023/1

August 28, 2023

Mr. Anshul Gupta

 Co-Founder – Wint Wealth
 Fourdegreewater Services Private Limited
 #86/1, Yellappa Reddy Layout, Bannerghatta Road,
 Arakere, Bangalore, Karnataka - 560076

Dear Sir,

Re: ICRA Rating for the Pass-Through Certificates to be issued by Wint Basket – 01 TRUST backed by non-convertible debentures (NCD) receivables wherein the seller is Fourdegreewater Services Private Limited (FSPL)

Please refer to the Rating Agreement dated July 13, 2023, between ICRA Limited (hereinafter referred as “ICRA”) and your Company for carrying out the rating of Pass-Through Certificates (PTCs) under the securitisation programme mentioned above.

The Rating Committee of ICRA has, after due consideration, assigned the following provisional rating(s) under the above-mentioned securitisation programme.

Instrument	Principal (Rs. Crore)	Rating	Definition
PTC Series A1	9.09	Provisional [ICRA]BBB (SO)	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories [ICRA]AA(SO) to [ICRA]C(SO). The modifiers reflect the comparative standing within the category.

The Structured Finance ratings assigned by ICRA also factor in the estimate of the relative potential loss to the investor (considering credit enhancements, if any) over the tenure of the rated instrument.

The letters “SO” in parenthesis suffixed to the rating symbol stand for Structured Obligation. “SO” rating is specific to the rated issue, its terms and its structure. “SO” ratings do not represent ICRA’s opinion on the general credit quality of the issuers concerned.

Please note that the provisional rating(s) is subject to the fulfilment of all conditions of the structure (as mentioned in Annexure 1), review of documentation pertaining to the transaction by ICRA, confirmation of the yield on the PTCs and legal opinion on the transaction documentation. This rating communication letter (together with Annexure 1) should be necessarily included in the issue documents / information memorandum of the proposed issue.

In any of your publicity material or other document wherever you are using the above ratings, it should be stated as **“Provisional [ICRA]BBB(SO)”** for PTC Series A1. We would request if you



can provide your acceptance on the above rating(s) by sending an email or signed attached acknowledgement to us latest by August 31, 2023, as acceptance on the assigned rating(s). In case you do not communicate your acceptance/non-acceptance of the assigned credit rating(s) or do not appeal against the assigned rating(s) by the aforesaid date, the rating(s) will be treated by us as non-accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated January 6, 2023.

Any intimation by you about the above rating(s) to any banker/ lending agency/government authorities/ stock exchange would constitute use of the rating(s) and shall be deemed acceptance of the Rating.

This rating(s) is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating(s) to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating(s) is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating(s) assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating(s) assigned to your Company.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold PTCs issued by your Company.

We thank you for your kind co-operation during the course of the rating exercise. Please feel free to contact the undersigned if you need any further information/clarification.

With kind regards,

Yours faithfully,

For ICRA Limited

Abhishek Dafria

Senior Vice President and Group Head – Structured Finance

Annexure 1

Transaction structure

The ratings are based on the terms provided to ICRA and the conditions mentioned herein –

Seller	Fourdegreewater Services Private Limited (FSPL)
NCD Issuers	<ul style="list-style-type: none"> • Akara Capital Advisors Private Limited • Aye Finance (P) Ltd. • Clix Capital Services Private Limited • KrazyBee Services Private Limited • NeoGrowth Credit Private Limited • Ugro Capital Limited • Vivriti Capital Private Limited
Trustee	MITCON Credentia Trusteeship Services Limited (MITCON)
Receivables	All amounts payable by the NCD Issuers in respect of the underlying securities in accordance with the NCD Agreements identified in the Assignment Agreement including the underlying security package, liquidated damages, recovery proceeds in relation to the Receivables, all amounts due and payable on account of delayed payments, any penal charges, any costs, charges, expenses, fees and any other amounts stipulated under the abovementioned NCD Agreements and the relevant Underlying Agreements.
Structure details:	<p>MITCON shall settle a Trust and shall be appointed as Trustee for the Transaction. The future receivables arising from non-convertible debentures (NCD) issued by the aforementioned entities will be assigned to the Trust. The aggregate receivables are Rs. 9.65 crore with underlying pool principal being Rs. 8.98 crore as on the pool cut-off date (August 29, 2023). The Trust will in turn issue single series of PTC (i.e. PTC Series A1 of Rs. 9.09 crore) backed by the NCD receivables.</p> <p>The rights and remedies of the investors shall be exercised by the Trustee in accordance with the terms of the transaction documents. The Trustee can be changed with the consent of investors holding at least 51% of the outstanding PTCs. Cost of change of Trustee shall have to be borne by the investors directly.</p>
Collection and Payment Account	The Trustee will open the Collection and Payment Account with the Collection Bank, which shall be operated and maintained by the Trustee for the purpose of depositing the amounts payable by the NCD Issuers in accordance with the underlying agreements and for distributing the Investor Payouts on the relevant Payout Dates to the Investors.
Compliance:	The Seller shall ensure that all the terms & conditions of the transaction structure, as stated herein (including the execution of transaction documents, obtaining legal opinion and due diligence audit), are complied



	<p>with within 90 days from the transaction execution. The Trustee shall inform ICRA in writing about the fulfilment of all the said terms & conditions. ICRA shall assign the final rating post satisfactory compliance with the transaction structure by the Seller and confirmation by Trustee. The PTC proceeds will be available to the Seller on the date of assignment of receivables.</p>
PTC payouts schedule:	<p>The PTCs follow an ultimate principal structure (UP) wherein entire principal is promised on final maturity date (January 08, 2025). The schedule of expected principal for the PTC Series A1 consists of the payout from the underlying NCDs in the previous month. Any shortfall in making the expected principal payment to PTC Series A1 in a particular payout would be carried forward to the subsequent payout and the payout schedule will be re-drawn by the Trustee for each Payout Date after taking into consideration any prepayments, delays and overdues. The yield on the PTCs is the residual cashflow post making the expected payouts.</p>
Yield on PTCs:	<p>PTC Series A1 will earn yield as per the residual cashflow post making all expected payouts as per the waterfall. There is no yield promised on the PTCs.</p>
Credit Enhancement:	<p>There is no external credit enhancement under the proposed transaction.</p>
Treatment of expenses:	<p>All expenses incurred in relation to the proposed transaction shall be borne by the Seller, including, without limitation, stamping, rating fees, legal fees, trusteeship fees, listing fee, RTA fee, asset audit, due diligence, monitoring, structuring and arranging fee</p>
Waterfall mechanism:	<ol style="list-style-type: none">1. Until such time the PTC Series A1 have not been fully redeemed, the Total Collections, and any amounts recovered pursuant to legal proceedings (including for the enforcement of any Security Interest underlying any Non-Convertible Security(ies)), shall be utilised by the Trustee in the following order of priority:<ol style="list-style-type: none">(a) payment of Senior Costs including servicing fees (servicer fees payable on last payout date);(b) payment of expected Series A1 Principal (including any unpaid expected Series A1 Principal pertaining to earlier Collection Periods);(c) any Prepayment Proceeds will be utilised for pre-payment of Series A1 Principal; and(d) any amounts remaining after application in (a) to (c) above shall be paid to the Series A1 Investor as yield in respect of the Series A1 PTCs. Subject to there being no prepayments and defaults and any other expenses, the residual yield is expected to be equivalent to the Pool Average Yield.2. Any amounts recovered pursuant to any legal proceedings shall be utilised by the Trustee for application towards payments in respect of the PTC Series A1 in accordance with paragraph above.3. Any amounts remaining after the PTC Series A1 have been fully redeemed shall be used for payment to the Residual Beneficiary.

Foreclosures:	<p>On the pre-termination of an NCD, an amount equal to the unbilled principal outstanding on that NCD will be paid out to the investor on the subsequent payout date. The future monthly payout to the investor will be revised to the extent of acceleration of its principal amortisation owing to pre-terminations.</p>
Warranties and representations FSPL:	<p>FSPL will provide the following representations and warranties in respect of the transaction:</p> <ul style="list-style-type: none"> • All information provided to ICRA is available in the public domain and is correct to the best knowledge of FSPL. • All receivables in the aforementioned NCD which are assigned to the trust are free from all encumbrances, and FSPL, before the assignment thereof to the investors was the legal and beneficial owner of the assets and receivables thereof and has full right to transfer and assign such NCD receivables to the investors. • Each of the underlying documents has been duly executed and is legally valid and enforceable in accordance with the terms thereof. • The executant of the legal documentation on behalf of FSPL has been duly empowered and authorised to execute the same and to perform all obligations in accordance with the terms set out herein
Pool Selection Criteria:	<p>A. Each Non-Convertible Security(ies) must:</p> <ul style="list-style-type: none"> (a) be existing at the time of selection, and must not have been terminated or prepaid or extinguished or redeemed; (b) be classified as a "standard asset" (determined in accordance with the criteria prescribed by the RBI) in the books of the Seller; and (c) each Non-Convertible Security(ies) should be a senior secured non-convertible debenture. <p>B. In the Pool:</p> <ul style="list-style-type: none"> (a) each Non-Convertible Security(ies) is classified as "current" and is not overdue; (b) no Non-Convertible Security(ies) has been terminated or prepaid and/or redeemed; (c) no Non-Convertible Security(ies) should have been classified as "restructured" or "rescheduled" (determined in accordance with the criteria prescribed by the RBI) in the books of the Seller; (d) each Non-Convertible Security(ies) should have been fully disbursed; (e) each Non-Convertible Security(ies) must be unencumbered and must not have been previously sold or assigned by the Seller; (f) there are no proceedings initiated/pending against any Obligor; and no Obligor is classified as being in default of its obligations under the relevant underlying documents.

Schedule A**Monthly Expected principal cashflow for PTC Series A1 (Rs. Lakh)**

Date	Principal
01-Oct-23	68.78
01-Nov-23	101.90
01-Dec-23	12.88
01-Jan-24	103.28
01-Feb-24	101.06
01-Mar-24	14.32
01-Apr-24	69.04
01-May-24	133.28
01-Jun-24	15.42
01-Jul-24	69.20
01-Aug-24	68.27
01-Sep-24	30.83
01-Oct-24	33.72
01-Nov-24	35.16
01-Jan-25	51.43
Total	908.57