November 04, 2026

DMI Finance Private Limited: Rating confirmed as final for PTCs backed by personal loan receivables issued by PLUM 27-5

Summary of rating action

Trust Name	Instrument*	Rated Amount (Rs. crore)	Rating Action	Financial Sector Regulator#
PLUM 27-5	PTC Series A1	270.38	[ICRA]AA+(SO); provisional rating confirmed as final	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.

Rationale

In August 2026, ICRA had assigned Provisional [ICRA]AA+(SO) rating to Pass-Through Certificates (PTCs) Series A1 issued by PLUM 27-5. The PTCs are backed by a pool of a personal loan (PL) receivables originated by DMI Finance Private Limited (DMI/Originator) (rated [ICRA]AA(Stable)/[ICRA]A1+)[1] with an aggregate principal outstanding of Rs. 307.24 crore (pool receivables of Rs. 386.96 crore). DMI would also be the servicer of 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 ratings have now been confirmed as final.

Pool performance summary

Parameter	PLUM 27-5
Payout month	September 2026
Months post securitisation	1
Pool amortisation	6.55%
PTC Series A1 amortisation	8.15%
Cumulative prepayment rate	2.99%
Cumulative collection efficiency[2]	99.68%
Loss-cum-0+ days past due (dpd)[3]	0.31%
Loss-cum-30+ dpd[4]	0.00%
Loss-cum-90+ dpd[5]	0.00%
Cumulative cash collateral utilisation	0.00%

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. The residual cash flows from the pool, after meeting the promised and expected payouts, will be used for the prepayment of PTC Series A1 principal. Any prepayment in the pool would be used for the prepayment of the PTC Series A1 principal.

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

[2] *(Cumulative current collections and overdue collections)/(Cumulative billings + Opening overdues at the time of securitisation)*

[3] *Unbilled and overdue principal portion of delinquent contracts as a % of Initial pool principal*

[4] *Unbilled and overdue principal portion of contracts delinquent for more than 30 days as a % of Initial pool principal*

[5] *Unbilled and overdue principal portion of contracts delinquent for more than 90 days as a % of Initial pool principal*

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 7.00% of the initial pool principal, amounting to Rs. 21.51 crore, to be provided by the Originator, (ii) principal subordination of 12.00% of the initial pool principal for PTC Series A1 in the form of an equity tranche, and (iii) the EIS of 19.05% of the initial pool principal for PTC Series A1.

Key rating drivers and their description

Credit strengths

Granular pool supported by presence of credit enhancement – The pool is granular, consisting of 22,595 obligors, with top 10 obligors forming ~0.2% of the initial 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.

Adequate servicing capability of the originator- The company has adequate processes for servicing of the loan accounts in the securitised pool. It has a moderate track record of over five years of regular collections across a wide geography.

Credit challenges

Moderate share of self-employed borrowers – The self-employed category accounts for ~39% of the borrowers in the initial pool (in terms of the principal amount outstanding on the cut-off date). This increases the risks to some extent, given the uncertain nature of the cash flows generated by such borrowers vis-à-vis salaried borrowers.

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. The pool is exposed to the inherent credit risk associated with the unsecured nature of the asset class and that recovery from delinquent contracts tends to be lower.

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 6.25% of the pool principal with certain variability around it. The average prepayment rate for the underlying pool is modelled in the range of 5% to 18% 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 is as follows:

Transaction Name	PLUM 27-5
Originator	DMI Finance Private Limited
Servicer	DMI Finance Private Limited
Trustee	CTL Trusteeship Limited

Transaction Name	PLUM 27-5
CC holding bank	Indusind Bank Limited
Collection and payout account bank	Indusind Bank Limited

Liquidity position: Strong

The liquidity for PTC Series A1 is strong after factoring in the credit enhancement available to meet the promised payouts to the investor. The total credit enhancement would be ~5.5 times the estimated loss in the pool.

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 – Pressure on the rating could emerge on the sustained weak collection performance of the underlying pool (monthly collection efficiency <90%), leading to higher-than-expected delinquency levels and credit enhancement utilisation levels. Weakening in the credit profile of the servicer (DMI) 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	Rating Methodology for Securitisation Transactions
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

About the originator

DMI Finance Private Limited (DMI), incorporated in 2008, is a private financial services company registered as a non-banking financial company (NBFC) with the Reserve Bank of India (RBI). While it was mainly engaged in secured corporate lending (largely to real estate builders) till a few years ago, it has shifted its focus to digital lending wherein it provides consumption loans, personal loans and micro, small and medium enterprise (MSME) loans. This is a completely digital technology-driven business with API-based origination, underwriting and loan management systems. Herein, DFPL predominantly works through front-end partnerships with other fintech companies, original equipment manufacturers (OEMs) and technology-driven aggregators.

Key financial indicators (standalone)

Particular for	FY2024 (Audited)	FY2025 (Audited)	FY2026 (Audited)
Total income	2,669	3,114	1,737
Profit After Tax	417	5	107
Total managed assets	14,520	12,198	10,411
Gross Stage 3	2.6%	4.7%	4.8%
CRAR	44.8%	61.1%	71.3%

Source: ICRA Research; Amount in Rs. crore;

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Sr. No.	Trust Name	Current Rating (FY2027)					Chronology of Rating History for the Past 3 Years		
		Instrument	Initial Amount Rated (Rs. crore)	Current Amount Rated (Rs. crore)	Date & Rating in FY2027		Date & Rating in FY2026	Date & Rating in FY2025	Date & Rating in FY2024
					November 04, 2026	August 05, 2026	-	-	-
1	**PLUM 27-5**	PTC Series A1	270.38	270.38	**[ICRA]AA+(SO)**	**Provisional [ICRA]AA+(SO)**	-	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
PTC Series A1	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	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Amount Rated (Rs. crore)	Current Rating	Financial Sector Regulator#
NA	PLUM 27-5	PTC Series A1	July 31, 2026	8.95%	January 25, 2030	270.38	[ICRA]AA+(SO)	RBI

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Manushree Saggar
+91 124 4545 316
manushrees@icraindia.com

Sachin Joglekar
+91 22 6114 3470
sachin.joglekar@icraindia.com

Gaurav Mashalkar
+91 22 6114 3431
gaurav.mashalkar@icraindia.com

Shivam Dussawar
+91 22 6114 3456
shivam.dussawar@icraindia.com

Priya Bhat
+91 22 6114 3400
priya.bhat@icraindia.com

Shrikrishna Nazare
+91 22 6114 3432
shrikrishna.nazare2@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6169 3304
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

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

info@icraindia.com

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

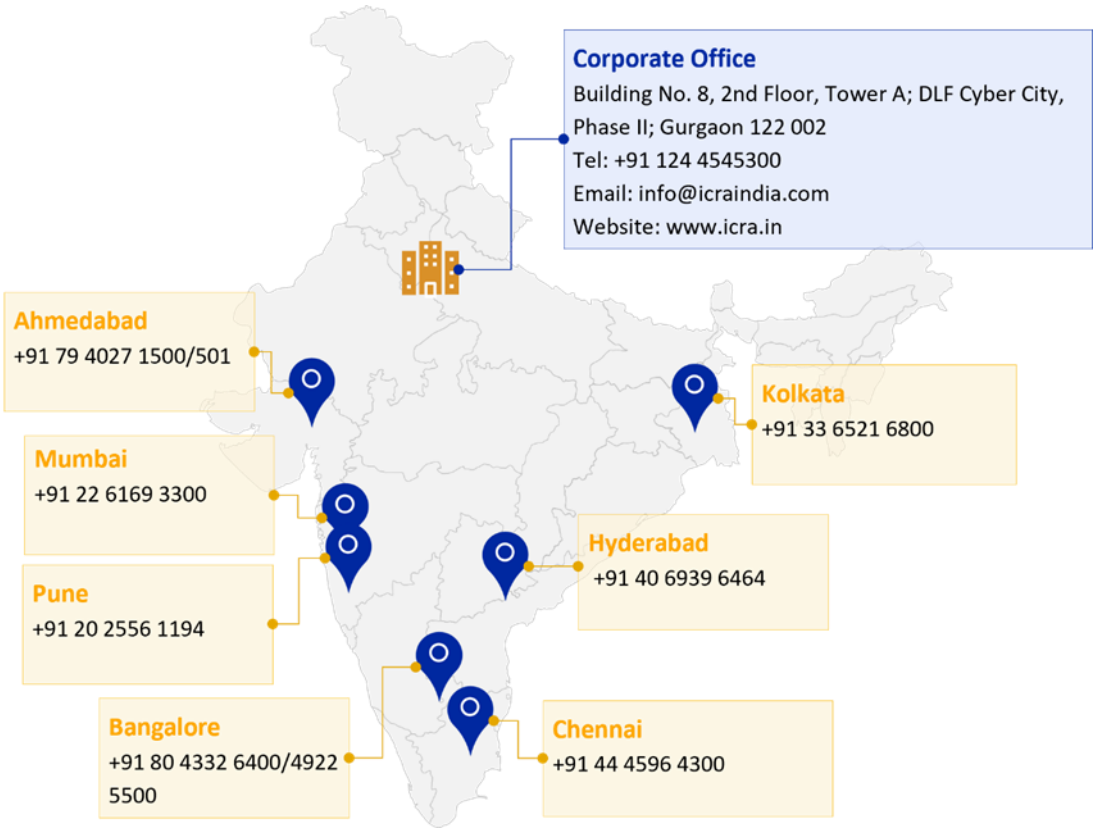
For more information, visit www.icra.in

ICRA Limited

Registered Office

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

Branches



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