

June 05, 2025

RBSG Capital Private Limited: Provisional rating of [ICRA]A(SO) assigned to PTCs backed by vehicle loan receivables issued by Panther 05 2025

Summary of rating action

Trust Name	Instrument*	Current Rated Amount (Rs. crore)	Rating Action
Panther 05 2025	Series A1 PTC	18.61	Provisional [ICRA]A(SO); Assigned

*Instrument details are provided in Annexure I

Rating in the absence of pending actions/documents	No rating would have been assigned as it would not be meaningful
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Rationale

The pass-through certificates (PTCs) are backed by a pool of vehicle loan receivables originated by RBSG Capital Private Limited {RBSG/Originator; rated [ICRA]BBB- (Stable)} with an aggregate principal outstanding of Rs. 20.68 crore (pool receivables of Rs. 27.17 crore). RBSG would be the servicer for the transaction.

The provisional rating is based on the strength of the cash flows from the selected pool of contracts, the credit enhancement available in the structure as well as the integrity of the legal structure. The rating is subject to the fulfilment of all the conditions under the structure and ICRA's review of the documentation pertaining to the transaction.

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) to Series A1 PTC but is promised on the final maturity date. Any surplus 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 Series A1 PTC principal.

The provisional rating is based on the strength of the cash flows from the selected pool of contracts. 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. 1.45 crore provided by the Originator, (ii) subordination of 10.00% of the initial pool principal for Series A1 PTC, and (iii) the excess interest spread (EIS) of 17.92% of the initial pool principal for Series A1 PTC.

Any surplus excess interest spread (EIS), after meeting the promised and expected payouts, will flow back to the Originator on a monthly basis. However, on the occurrence of any predefined trigger events, the entire residual EIS every month shall be utilised for accelerating the principal payment due to Series A1 PTC until it is fully redeemed.

Key rating drivers and their description

Credit strengths

Adequate servicing capability of RBSG – The company, which would be servicing the loans in the transaction, has an adequate track record in the lending business of more than seven years and has adequate underwriting policies and collection procedures. The company has adequate processes for servicing the loan accounts in the securitised pools.

Granular pool supported by presence of credit enhancement – The pool is granular, consisting of 579 contracts, with no contract exceeding 1% of the pool principal, thereby reducing the exposure to any single borrower. Further, the credit

enhancement available in the form of CC, subordination and EIS would absorb some amount of the losses in the pool and provide support in meeting the PTC payouts.

Credit challenges

High loan-to-value (LTV) contracts – Proportion of contracts with initial loan-to-value (LTV) ratio of more than 80% is high at ~60%. Borrowers with high LTV loans pose high risk in times of economic downturns.

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 6.00% 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 ratings for the instruments.

Liquidity position: Strong

The liquidity for Series A1 PTC is strong after factoring in the credit enhancement available to meet the promised payouts to the investor. The total credit enhancement would be ~4.50 times the estimated loss in the pool.

Rating sensitivities

Positive factors – The sustained strong collection performance of the underlying pool of contracts (monthly collection efficiency >95%), 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 (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 analysis of the performance of RBSG's portfolio till March 2025, the key characteristics and composition of the current pool, the performance expected over the balance tenure of the pool, and the credit enhancement cover available in the transaction.

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

Pending actions/documents required to be completed for conversion of the provisional rating into final

The assigned rating is provisional and would be converted into final upon the execution of:

1. Trust deed
2. Assignment agreement
3. Legal opinion
4. Trustee compliance letter
5. Chartered Accountant's know your customer (KYC) certificate
6. Any other documents executed for the transaction

Validity of the provisional rating

The Trust is expected to complete the pending actions/execute the pending documents in the near term. However, in case of continued pendency of the actions/documents beyond one year of this publication, the provisional rating would be withdrawn for the transaction even if the instrument has been issued.

Risks associated with the provisional rating

In case the issuance is completed, but the pending actions/documents are not completed for the transaction within one year (validity period) from the assignment of the rating, the provisional rating will be withdrawn in accordance with ICRA's Policy on Provisional Ratings available at www.icra.in.

About the originator

RBSG Capital Private Limited (RBSG; brand name –Automony) was incorporated in December 2017 and received its NBFC license in May 2018. It is a Reserve Bank of India (RBI) registered non-deposit taking non-systemically important NBFC (NBFC-ND-NSI), focused on providing loans secured by hypothecation against commercial vehicles and passenger cars. The company currently operates only in Maharashtra and Gujarat and has a network of 31 branches covering 35 districts. As on December 31, 2024, its AUM stood at Rs. 292 crore and it reported a net profit of Rs. 0.9 crore for 9MFY2025. For the year ended March 31, 2024, RBSG reported a net profit of Rs. 0.3 crore compared with a net loss of Rs. 1.7 crore in FY2023. As on December 31, 2024, used passenger vehicle financing constituted ~54% of the AUM while used commercial vehicle financing constituted ~46%.

Key financial indicators (standalone)

RBSG	FY2023	FY2024*	9M FY2025*
	(Aud.)	(Aud.)	(Prov.)
Accounting Standard	IGAAP	IGAAP	IGAAP
Total income	21.3	29.5	31.8
Profit after tax	-1.7	0.3	0.9
Total managed assets	149	264	340
GNPA % (New IRAC/180 dpd basis) (% of advances)	5.6%	5.6%	6.9%
GNPA (New IRAC/180 dpd basis) (% of AUM)	2.9%	3.2%	3.9%
CRAR	28.6%	33.0%	36.7%

Source: Company data, ICRA Research; Note: Amount in Rs. Crore; * NPA recognition has changed from 180+ dpd to 150+ dpd

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 Amount Rated (Rs. crore)	Current Amount Rated (Rs. crore)	Date & Rating	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
					Jun 05, 2025			
1	Panther 05 2025	Series A1 PTC	18.61	18.61	Provisional [ICRA]A(SO)	-	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Series A1 PTC	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

Trust Name	Instrument Type	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Current Rated Amount (Rs. crore)	Current Rating and Outlook
Panther 05 2025	Series A1 PTC	May 30, 2025	11.50%	September 17, 2029	18.61	Provisional [ICRA]A(SO)

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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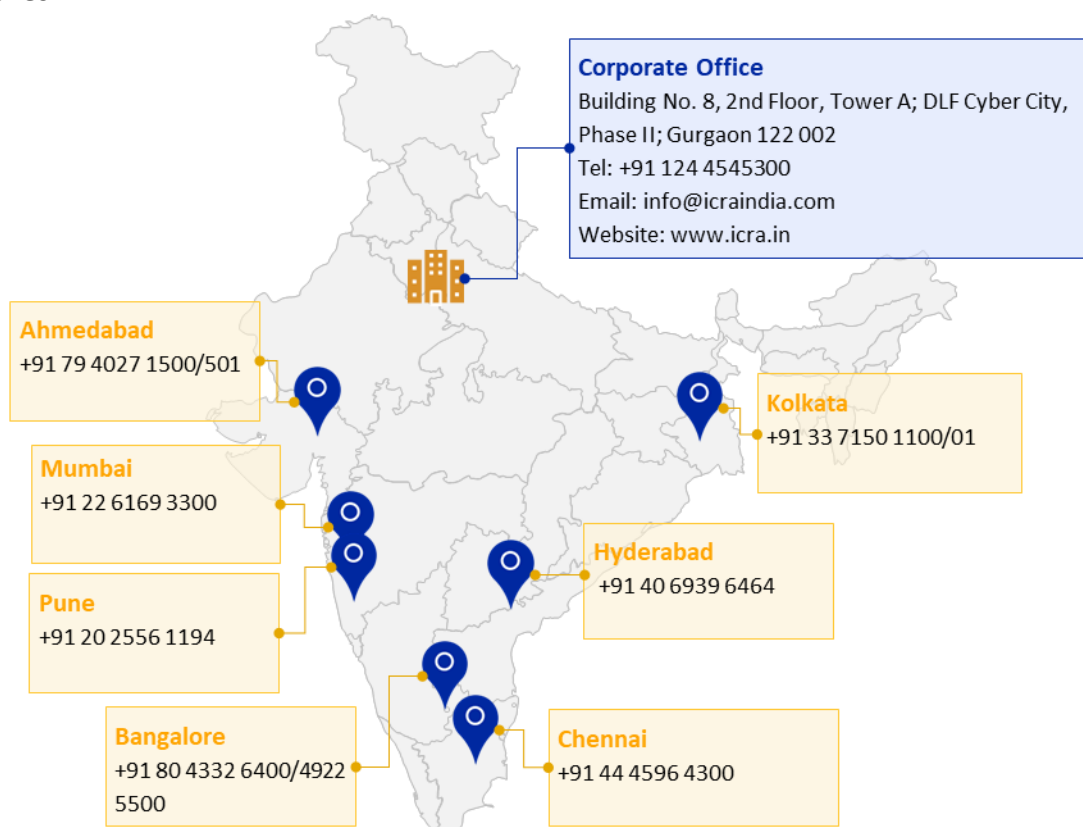


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