

March 25, 2026

Cholamandalam Investment and Finance Company Limited: Rating reaffirmed for PTCs issued under a vehicle loan 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
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	822.25	NA	456.33	[ICRA]AAA(SO); reaffirmed

*Instrument details are provided in Annexure I

Rationale

The pass-through certificates (PTCs) are backed by vehicle loan receivables originated by Cholamandalam Investment and Finance Company Limited (CIFCL/Originator; rated [ICRA]AA+ (Positive)/[ICRA]A1+). CIFCL is also the servicer for the transaction.

The rating reaffirmation factors in the build-up of the credit enhancement cover over the future PTC payouts on account of the moderate amortisation and healthy performance of the pool. The rating also draws comfort from the fact that the breakeven collection efficiency is comfortably below the actual collection level observed in the pool till the February 2026 payout month.

Pool performance summary

Parameter	PLATINUM TRUST NOV 2024 - TRANCHE I
Payout month	February 2025
Months post securitisation	15
Pool amortisation (as % of initial pool principal)	40.49%
PTC amortisation (%)	44.50%
Cumulative collection efficiency ¹	98.29%
Loss-cum-90+ dpd ² (% of initial pool)	0.41%
Loss-cum-180+ dpd ³ (% of initial pool)	0.00%
Cumulative credit collateral (CC) utilisation	0.00%
Breakeven collection efficiency ⁴ for PTC Series A1	70.29%
CC (% of balance pool)	5.04%
Subordination (% of balance pool) for PTC Series A1	15.12%
Excess interest spread (EIS; % of balance pool) for PTC Series A ⁵	17.25%

¹ (Cumulative current and overdue collections till date)/(Cumulative billing till date + Opening overdues at the start of the transaction)

² Inclusive of unbilled and overdue principal portion of contracts delinquent for more than 90 days, as a % of Initial pool principal

³ Inclusive of unbilled and overdue principal portion of contracts delinquent for more than 180 days, as a % of Initial pool principal

⁴ (Balance cash flows payable to investor – CC available)/Balance pool cash flows

⁵ (Pool cash flows – Cash flows to PTC A)/Pool principal outstanding

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 PTC Series A1 principal.

Key rating drivers and their description

Credit strengths

Track record of Originator/ servicer – CIFCL, which is also servicing the loans in the transactions, has an established track record of more than four decades in the lending business with adequate underwriting policies and collection procedures across a wide geography. The company has adequate processes for servicing the loan accounts in the securitised pools.

Build-up of credit enhancement available in the structure – The ratings factor in the build-up of credit enhancement for the transactions, with a higher cash collateral available as a percentage of the balance pool principal as compared to the initial cash collateral at time of securitisation. Internal credit support is also available through scheduled EIS for the pool.

Healthy pool performance – The delinquency for the pool has remained low with the loss cum 90+ days past due (dpd; as percentage of initial pool principal) at less than 1.0% since securitisation (after the February 2026 payout) for the transaction. Further, the performance of the pool has been healthy with the cumulative collection efficiency around 98%, comfortably higher than break-even collection efficiency level.

Credit challenges

Risks associated with lending business – The pools' 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 3.00% 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.

Details of key counterparties

The key counterparties in the rated transactions are as follows:

Transaction name	PLATINUM TRUST NOV 2024 - TRANCHE I
Originator	Cholamandalam Investment and Finance Company Limited
Servicer	Cholamandalam Investment and Finance Company Limited
Trustee	Axis Trustee Services Limited
CC holding bank	JPMC Bank
Collection and payout account bank	JPMC Bank

Liquidity position: Superior

The liquidity for PTC Series A1 is superior after factoring in the credit enhancement available to meet the promised payout to the investor. The total credit enhancement is over 9 times the estimated losses for the pool.

Rating sensitivities

Positive Factors – Not Applicable

Negative Factors - Pressure on the rating could emerge on the sustained weak collection performance of the underlying pool (monthly collection efficiency of <90%), leading to higher-than-expected delinquency levels and credit enhancement utilisation levels. Weakening in the credit profile of the Servicer could also exert pressure on the rating.

Analytical approach

The rating action is based on the performance of the pools till the February 2026 payout month, the present delinquency profile of the pool of contracts, the performance expected over the balance pool tenure, and the credit enhancement available in the transactions.

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

About the originator

CIFCL, a non-banking financial company, is a part of the Chennai-based Murugappa Group of companies. Incorporated in 1978, it operates through 1,757 branches across 26 states and 7 Union Territories (UTs) with net AUM of Rs. 2,10,722 crore as of December 2025. The company's core business segments include vehicle finance (54%) and HE loans (23%). CIFCL has forayed into three new business divisions in the consumer and SME ecosystem, namely CSEL, SBPL and SME, which contributed 13% to AUM, while housing finance (10%) accounted for the rest. As of December 2025, CIFCL had two wholly-owned subsidiaries, Cholamandalam Leasing Limited and Cholamandalam Securities Limited, a joint venture with Payswiff Technologies Private Limited, and an associate entity – Vishvakarma Payments Private Limited.

In FY2025, CIFCL (standalone) reported a net profit of Rs. 4,259 crore on a managed asset base of Rs. 2,07,874 crore compared with Rs. 3,423 crore and Rs. 1,60,194 crore, respectively, in FY2024. It reported a provisional net profit of Rs. 3,579 crore on a managed asset base of Rs. 2,39,008 crore in 9M FY2026.

Key financial indicators (audited)

CIFCL (standalone)	FY2024	FY2025	9M FY2026
Total income	19,216	26,055	22,906
Profit after tax	3,423	4,259	3,579
Total managed assets	1,60,194	2,07,875	2,39,008
Gross stage 3	2.5%	2.8%	3.4%
CRAR	18.6%	19.8%	19.2%

Source: Company, ICRA Research; 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	Instrument	Current rating (FY2026)		Chronology of rating history for the past 3 years				
		Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2026 Mar 25, 2026	Date & rating in FY2025		Date & rating in FY2024	Date & rating in FY2023
					Mar 06, 2025	Dec 05, 2024		
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	822.25	456.33	[ICRA] AAA(SO)	[ICRA]AAA(SO)	Provisional [ICRA]AAA(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

Trust name	Instrument	Date of issuance /Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current rated amount (Rs. crore)	Rating
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	November 28, 2024	8.12%	April 20, 2031	456.33	[ICRA]AAA(SO)

Source: Company

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

Sumit Kumar Pramanik
+91 22 6114 3462
sumit.pramanik@icraindia.com

Mrugesh Trivedi
+91 22 6114 3436
mrugesh.trivedi@icraindia.com

Vishal Oza
+91 22 6114 3472
vishal.oza2@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
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

ABOUT ICRA LIMITED

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.

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



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.