June 29, 2026 (Revised)

Cholamandalam Investment and Finance Company Limited: Provisional [ICRA]AAA(SO) assigned to Series A1(a) PTCs and Series A1(b) PTCs backed by vehicle loan receivables issued by Platinum Trust JUN 2026 - TRANCHE I; Provisional [ICRA]A-(SO) assigned to second loss facility

Summary of rating action

Trust name	Instrument*	Current rated amount (Rs. crore)	Rating action
PLATINUM TRUST JUN 2026 - TRANCHE I	Series A1(a) PTCs	178.69	Provisional [ICRA]AAA(SO); assigned
	Series A1(b) PTCs	362.80	Provisional [ICRA]AAA(SO); assigned
	Second Loss Facility	8.12	Provisional [ICRA]A-(SO); assigned

**Instrument details are provided in Annexure II*

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

Rationale

The pass-through certificates (PTCs) are backed by a pool of vehicle loan receivables originated by Cholamandalam Investment and Finance Company Limited (CIFCL/Originator; rated [ICRA]AA+ (Positive)/[ICRA]A1+)[1] with an aggregate principal outstanding of Rs. 541.50 crore (pool receivables of Rs. 681.94 crore). CIFCL would also act as the servicer for the transaction.

The provisional ratings are 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 ratings are subject to the fulfilment of all the conditions under the structure and ICRA's review of the documentation pertaining to the transaction.

Transaction structure

The collections from the pool will be used for making the promised interest payouts to Series A1(a) and Series A1(b) PTCs on a pari passu basis. Till April 20, 2027, after making the promised interest payouts, the collections will be used to make the expected principal payouts to Series A1(a) PTCs (to the extent of 100% of pool billing) till its redemption followed by the expected principal payout to Series A1(b) PTCs. From May 20, 2027, the collections will be utilised for the redemption of Series A1(a) and A1(b) PTCs in the ratio of 30:70 until the Series A1(a) PTCs are redeemed post which 100% of principal pool billing will be used to redeem Series A1(b) on expected basis. The entire principal repayment to both the tranches is promised on the scheduled maturity date (i.e Nov 20, 2030). The excess interest spread (EIS) available, after meeting the expected and promised PTC payments, will flow back to the Originator on a monthly basis. The cash collateral (CC), if utilised, will not be replenished from the EIS in subsequent months.

All prepayment amounts would be passed on to Series A1(b) PTCs until Series A1(b) PTCs are redeemed post which prepayment will be used to redeem Series A1(a) PTCs.

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 6.50% of the initial pool principal, amounting to Rs. 35.20 crore, to be provided by the Originator. The CC will be split into a first loss facility (FLF), amounting to Rs. 27.07 crore (5.00% of initial pool principal), and a second loss facility (SLF) of Rs. 8.12 crore (1.50% of initial pool principal). (ii) the excess interest spread (EIS) of 13.60% of the initial pool principal for Series A PTCs.

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

Key rating drivers and their description

Credit strengths

Established track record of CIFCL – CIFCL, which would also be servicing the loans in the transaction, 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 of the loan accounts in the securitised pools.

Granular pool supported by presence of credit enhancement – The pool is granular, consisting of 36,688 contracts, with top 10 obligors forming only ~0.49% of the pool principal, thereby reducing the exposure to any single borrower. Further, the credit enhancement available in the form of CC and EIS would absorb some amount of the losses in the pool and provide support in meeting the PTC payouts.

Seasoned contracts in the pool – The pool has a weighted average seasoning of ~8 months thereby reflecting the borrowers' relatively better credit profile which is a credit positive.

Credit challenges

High loan-to-value (LTV) contracts – Proportion of contracts with loan-to-value (LTV) ratio of more than 80% is at ~58% (in terms of the principal amount outstanding on the cut-off date). Borrower with high LTV loans is more likely to default and are sensitive to 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 3.25% 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

Series A1(a) PTCs and Series A1(b) PTCs

The liquidity for PTC Series A1(a) and A1(b) is strong after factoring in the credit enhancement available to meet the promised payout to the investor. The total credit enhancement would be ~4.25 times the estimated loss in the pool.

SLF

The liquidity for the SLF is strong after factoring in the first loss facility (FLF) available for the top-up of the SLF, if needed, as per the defined waterfall mechanism.

Rating sensitivities

Positive factors – Not applicable for Series A1(a) PTCs and Series A1(b) PTCs.

The rating of SLF can be upgraded, provided there is sustained strong collection performance of the underlying pool contracts, resulting in an increase in the credit enhancement cover available for SLF.

Negative factors – Pressure on the ratings could emerge due to sustained weak collection performance of the underlying pool (monthly collection efficiency of <90%), leading to higher-than-expected delinquency levels and CE utilization levels. Weakening in the credit profile of the servicer (CIFCL) could also exert pressure on the ratings.

Analytical approach

The rating action is based on the analysis of the performance of CIFCL's portfolio till March 2026, 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	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 ratings are provisional and would be converted into final upon the execution of:

1. Trust deed
2. Assignment agreement
3. Power of Attorney
4. Legal opinion
5. Trustee letter
6. Other key or important documents executed for the transaction

Validity of the provisional ratings

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 ratings would be withdrawn for the transaction even if the instrument has been issued.

Risks associated with the provisional ratings

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 ratings, the provisional ratings will be withdrawn in accordance with ICRA's Policy on Provisional Ratings available at www.icra.in.

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 1,761 branches across 26 states and 7 Union Territories (UTs) with net AUM of Rs. 2,24,334 crore as of March 2026. The company's core business segments include vehicle finance (55%) and HE loans (18%). CIFCL has forayed into three new business divisions in the consumer and SME ecosystem, namely CSEL, SBPL and SME, which contributed 17% to AUM, while housing finance (7%) accounted for the rest. As of March 2026, 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 FY2026, CIFCL (standalone) reported a net profit of Rs. 5,220 crore on a managed asset base of Rs. 2,55,372 crore compared with Rs. 4,259 crore and Rs. 2,07,874 crore, respectively, in FY2025. In FY2026, CIFCL (consolidated) reported a net profit of Rs. 5,229 crore on a managed asset base of Rs. 2,55,750 crore compared with Rs. 4,260 crore and Rs. 2,08,113 crore, respectively, in FY2025.

Key financial indicators (audited)

CIFCL (Standalone)	FY2024	FY2025	FY2026
Total income	19,216	26,055	31,445
Profit after tax	3,423	4,259	5,220
Total managed assets^	1,60,194	2,07,874	2,55,372
Gross stage 3	2.5%	2.8%	3.1%
CRAR	18.6%	19.8%	19.2%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; ^Managed Assets= Total assets (as per balance sheet) + Assignment book

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust name	Current rating (FY2027)			Chronology of rating history for the past 3 years		
	Instrument	Amount rated (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025	Date & rating in FY2024
			June 29, 2026	-	-	-
PLATINUM TRUST JUN 2026 - TRANCHE I	Series A1(a) PTCs	178.69	**Provisional [ICRA]AAA(SO)**	-	-	-
	Series A1(b) PTCs	362.80	**Provisional [ICRA]AAA(SO)**			
	Second Loss Facility	8.12	**Provisional [ICRA]A-(SO)**	-	-	-

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ($)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI

16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.
($) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.
(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: 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.

Complexity level of the rated instrument

Instrument	Complexity indicator
Series A1(a) PTCs	Highly Complex
Series A1(b) PTCs	Highly Complex
SLF	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 II: Instrument details

Trust name	Instrument	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current rated amount (Rs. crore)	Current rating
PLATINUM TRUST JUN 2026 - TRANCHE I	Series A1(a) PTCs	June 25, 2026	-	October 19, 2032	178.69	Provisional [ICRA]AAA(SO)
	Series A1(b) PTCs		-		362.80	Provisional [ICRA]AAA(SO)
	Second Loss Facility		-		8.12	Provisional [ICRA]A-(SO)

Source: Company

Annexure III: List of entities considered for consolidated analysis

Not applicable

Corrigendum

Document dated 29th June 2026 has been added with the revision below:

The trust name has been revised from “PLATINUM TRUST JUNE 2026 - TRANCHE I” to “PLATINUM TRUST JUN 2026 - TRANCHE I”, the changes have been made in Subject line, Summary of rating action, Rating history for past three years, and Annexure II: Instrument details.

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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.

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.

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