August 12, 2026

Cholamandalam Investment and Finance Company Limited: Ratings reaffirmed for PTCs issued under four vehicle loan securitisation transactions

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	Financial sector regulator#
PLATINUM TRUST MAY 2024 - TRANCHE I	PTC Series A	498.41	240.41	105.12	[ICRA]AA+(SO); reaffirmed	RBI
PLATINUM TRUST SEP 2024 - TRANCHE II	PTC Series A1	1,052.05	607.66	323.74	[ICRA]AAA(SO); reaffirmed	RBI
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	822.25	456.33	344.87	[ICRA]AAA(SO); reaffirmed	RBI
PLATINUM TRUST DEC 2024 - TRANCHE II	PTC Series A1	680.24	376.48	243.03	[ICRA]AAA(SO); reaffirmed	RBI

**Instrument details are provided in Annexure I*

 # The Securities and Exchange Board of India's (SEBI) grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments that fall under the regulatory purview of financial sector regulators (FSRs) other than SEBI

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+)[1]. CIFCL is also the servicer for the transactions.

The ratings 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 pools. The ratings also draw comfort from the fact that the breakeven collection efficiency is comfortably below the actual collection level observed in the pools till the July 2026 payout month.

Pool performance summary

Parameter	PLATINUM TRUST MAY 2024 - TRANCHE I	PLATINUM TRUST SEP 2024 - TRANCHE II	PLATINUM TRUST NOV 2024 - TRANCHE I	PLATINUM TRUST DEC 2024 - TRANCHE II
Payout month	July 2026	July 2026	July 2026	July 2026
Months post securitisation	26	21	20	24
Pool amortisation (as % of initial pool principal)	78.9%	63.0%	52.8%	58.5%
Cumulative collection efficiency[2]	98.3%	98.1%	98.5%	98.2%
Loss-cum-90+ days past due (dpd[3]; % of initial pool)	1.5%	0.5%	0.7%	0.5%
Loss-cum-180+ dpd[4] (% of initial pool)	1.1%	0.0%	0.0%	0.0%
Cumulative cash collateral (CC) utilisation	0.0%	0.0%	0.0%	0.0%

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

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

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

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

Parameter	PLATINUM TRUST MAY 2024 - TRANCHE I	PLATINUM TRUST SEP 2024 - TRANCHE II	PLATINUM TRUST NOV 2024 - TRANCHE I	PLATINUM TRUST DEC 2024 - TRANCHE II
Breakeven collection efficiency[5] for PTC Series A	74.6%	63.8%	65.7%	65.4%
Cash collateral (CC; % of balance pool)	23.7%	8.1%	6.4%	7.2%
Excess interest spread (EIS; % of balance pool) for PTC Series A[6]	5.0%	9.4%	17.3%	11.5%

Transaction structure

For PLATINUM TRUST MAY 2024 - TRANCHE I

As per the transaction structure, the monthly cash flow schedule comprises the promised interest payout and principal payout (100% of the pool principal billed). Any surplus excess interest spread (EIS), after meeting the promised payouts, will flow back to the Originator on a monthly basis. Any prepayment in the pool would be used for the prepayment of the PTC Series A principal.

For the remaining three trusts

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 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 the PTC Series A1 principal.

Reset of credit enhancement

At the Originator's request for resetting the credit enhancement, ICRA has analysed all four trusts, basis the cash collateral (CC) mentioned in the table provided below. Based on the pools' performance, the ratings for the PTCs will remain unchanged even after the CC amount is reset. The CC reset shall be subject to the approval of the PTC investors. However, as per regulatory guidelines, the amount of CC that can be released would be restricted to 60% of the difference between the current CC amount and the revised CC amount allowed by ICRA.

Transaction name	Current CC outstanding [A]	CC required as per ICRA for maintaining the present rating [B]	CC that can be released [C] = 60%*(A - B)	Revised CC limit [D] = (A - C)
PLATINUM TRUST MAY 2024 - TRANCHE I	24.92	9.97	8.97	15.95
PLATINUM TRUST SEP 2024 - TRANCHE II	34.68	17.34	10.40	24.28
PLATINUM TRUST NOV 2024 - TRANCHE I	27.11	13.56	8.13	18.98
PLATINUM TRUST DEC 2024 - TRANCHE II	22.43	11.22	6.73	15.70

Amount in Rs. crore

[5] *(Balance cash flows payable to investor – CC available)/Balance pool cash flows*

[6] *(Pool cash flows – Cash flows to PTC A)/Pool principal outstanding*

Key rating drivers and their description

For all four transactions

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. It also has satisfactory 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 CC available as a percentage of the balance pool principal compared to the initial CC at the time of securitisation. Internal credit support is also available through scheduled EIS for the pools.

Healthy pool performance – Delinquencies have remained low with the loss-cum-90+ days past due (dpd; as a percentage of initial pool principal) staying below 2.0% in the last 12 months for all the pools. Further, the performance of the pools has been healthy with a cumulative collection efficiency of over 97%, comfortably above the breakeven collection efficiency level.

Credit challenges

Risks associated with lending business – The pools' performance would remain exposed to macroeconomic 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 pools, ICRA has estimated the shortfall in principal collection and prepayments during the tenure as provided in the following table.

Transaction name	Estimated shortfall (% of initial pool principal)	Prepayment (p.a.)
PLATINUM TRUST MAY 2024 - TRANCHE I	1.00%	4.8% - 18.0%
PLATINUM TRUST SEP 2024 - TRANCHE II	1.25%	4.8% - 18.0%
PLATINUM TRUST NOV 2024 - TRANCHE I	1.50%	4.8% - 18.0%
PLATINUM TRUST DEC 2024 - TRANCHE II	1.50%	4.8% - 18.0%

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 ratings for the instruments.

Details of key counterparties

The key counterparties in the rated transactions are as follows:

Transaction name	PLATINUM TRUST MAY 2024 - TRANCHE I	PLATINUM TRUST SEP 2024 - TRANCHE II	PLATINUM TRUST NOV 2024 - TRANCHE I	PLATINUM TRUST DEC 2024 - TRANCHE II
Originator	Cholamandalam Investment and Finance Company Limited			
Servicer	Cholamandalam Investment and Finance Company Limited			
Trustee	IDBI Trusteeship Services Limited		Axis Trustee Services Limited	IDBI Trusteeship Services Limited
CC holding bank	Axis Bank Limited	State Bank of India	Bank of Baroda	State Bank of India
Collection and payout account bank	ICICI Bank Limited	Citibank	JPMC Bank	Citibank

Liquidity position

For PTC Series A1 of PLATINUM TRUST SEP 2024 - TRANCHE II, PLATINUM TRUST NOV 2024 - TRANCHE I and PLATINUM TRUST DEC 2024 - TRANCHE II: 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 10 times the estimated losses for the pools.

For PTC Series A of PLATINUM TRUST MAY 2024 - TRANCHE I: Strong

The liquidity for PTC Series A is strong after factoring in the credit enhancement available to meet the promised payout to the investor. The total credit enhancement is ~5.75 times the estimated losses for the pool.

Rating sensitivities

Positive factors – Not applicable for PTC Series A1 of PLATINUM TRUST SEP 2024 - TRANCHE II, PLATINUM TRUST NOV 2024 - TRANCHE I and PLATINUM TRUST DEC 2024 - TRANCHE II

For PTC Series A of PLATINUM TRUST MAY 2024 TRANCHE I: The rating could be upgraded on the sustained strong collection performance of the underlying pool of contracts (monthly collection efficiency of more than 95%), leading to lower-than-expected delinquency levels, and on an increase in the cover available for future investor payouts from the credit enhancement.

Negative factors – Pressure on the ratings 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 ratings.

Analytical approach

The rating action is based on the performance of the pools till the July 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 1,761 branches across 26 states and 7 Union Territories (UTs) with net assets under management (AUM) of Rs. 2,24,334 crore as of March 2026. The company's core business segments include vehicle finance (55%) and home equity (HE) loans (18%). CIFCL has forayed into three new business divisions in the consumer and small and medium-sized enterprise (SME) ecosystem, namely Consumer & Small Enterprise Loan (CSEL), Secured Business & Personal Loans (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 managed assets 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 managed assets 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

S. no.	Trust name	Current rating (FY2027)				Chronology of rating history for the past 3 years			
		Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024
					Aug 12, 2026	Sep 23, 2025	Sep 05, 2024	May 28, 2024	-
1	**PLATINUM TRUST MAY 2024 - TRANCHE I**	PTC Series A	498.41	105.12	[ICRA] AA+(SO)	[ICRA] AA+(SO)	[ICRA]AA+(SO)	Provisional [ICRA]AA+(SO)	-

S. no.	Trust name	Current rating (FY2027)				Chronology of rating history for the past 3 years			
		Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024
					Aug 12, 2026	Nov 27, 2025	Nov 07, 2024	Sep 24, 2024	-
2	**PLATINUM TRUST SEP 2024 - TRANCHE II**	PTC Series A1	1,052.05	323.74	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA]AAA(SO)	Provisional [ICRA]AAA(SO)	-

S. no.	Trust name	Current rating (FY2027)				Chronology of rating history for the past 3 years			
		Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024
					Aug 12, 2026	Mar 25, 2026	Mar 06, 2025	Dec 05, 2024	-
3	PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	822.25	344.87	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA]AAA(SO)	Provisional [ICRA]AAA(SO)	-

S. no.	Trust name	Current rating (FY2027)				Chronology of rating history for the past 3 years			
		Instrument	Initial rated amount (Rs. crore)	Current rated amount (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025		Date & rating in FY2024
					Aug 12, 2026	Feb 24, 2026	Feb 10, 2025	Dec 26, 2024	-
4	PLATINUM TRUST DEC 2024 - TRANCHE II	PTC Series A1	680.24	243.03	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA]AAA(SO)	Provisional [ICRA]AAA(SO)	-

Complexity level of the rated instrument

Trust name	Instrument	Complexity indicator
PLATINUM TRUST MAY 2024 - TRANCHE I	PTC Series A	Complex
PLATINUM TRUST SEP 2024 - TRANCHE II	PTC Series A1	Highly Complex
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	Highly Complex
PLATINUM TRUST DEC 2024 - TRANCHE II	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	Financial sector regulator#
PLATINUM TRUST MAY 2024 - TRANCHE I	PTC Series A	May 24, 2024	8.65%	May 22, 2030	105.12	[ICRA]AA+(SO)	RBI
PLATINUM TRUST SEP 2024 - TRANCHE II	PTC Series A1	September 26, 2024	8.30%	October 22, 2029	323.74	[ICRA]AAA(SO)	RBI
PLATINUM TRUST NOV 2024 - TRANCHE I	PTC Series A1	November 28, 2024	8.12%	April 20, 2031	344.87	[ICRA]AAA(SO)	RBI
PLATINUM TRUST DEC 2024 - TRANCHE II	PTC Series A1	December 30, 2024	8.13%	December 22, 2029	243.03	[ICRA]AAA(SO)	RBI

Source: Company; #SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments that fall under the regulatory purview of FSRs other than SEBI

Annexure II: List of entities considered for consolidated analysis

Not applicable

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