July 17, 2026

DMI Finance Private Limited: Ratings confirmed as final for PTCs backed by personal loan receivables issued by PLUM 26-4

Summary of rating action

Trust Name	Instrument*	Rated Amount (Rs. crore)	Rating Action	Financial Sector Regulator#
PLUM 26-4	Series 1 PTCs	30.93	[ICRA]AA(SO); provisional rating confirmed as final	RBI
	Series 2 PTCs	15.84	[ICRA]AA(SO); provisional rating confirmed as final	RBI
	Series 3 PTCs	10.56	[ICRA]AA(SO); provisional rating confirmed as final	RBI
	Series P PTCs	10.56	[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 May 2026, ICRA had assigned provisional ratings to the Pass-Through Certificates (PTCs) Series 1, Series 2, Series 3 and Series P issued by PLUM 26-4. 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. 75.44 crore (pool receivables of Rs. 94.32 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 26-4
Payout month	June 2026
Months post securitisation	1
Pool amortisation	7.9%
PTC amortisation:	9.3%
Series 1 PTCs amortisation	10.6%
Series 2 PTCs amortisation	0.0%
Series 3 PTCs amortisation	0.0%
Series P PTCs amortisation	28.0%
Cumulative prepayment rate	4.0%
Cumulative collection efficiency[2]	99.6%
Loss-cum-0+ days past due (dpd)[3]	0.4%
Loss-cum-30+ dpd[4]	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 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*

Loss-cum-90+ dpd[5]	0.0%
Cumulative cash collateral utilisation	0.0%

Transaction structure

The promised cashflow schedule for Series 1 PTCs, Series 2 PTCs, Series 3 PTCs and Series P PTCs on a monthly basis will be as per the waterfall mechanism applicable for the transaction, the monthly cash flow schedule comprises of promised interest payment to Series 1 PTCs, Series 2 PTCs, Series 3 PTCs and Series P PTCs on pari-passu basis at the pre-determined interest rate on the PTC principal outstanding. The principal repayment to all the series of PTCs is promised on the PTC final maturity date i.e. 25th October 2029. During the tenure of PTCs, the collections from the pool, after making the promised interest payouts, will be used to make the expected principal payouts to Series 1 PTCs then towards Series 2 PTCs followed by Series 3 PTCs and lastly Series P PTCs.

Prepayments in the pool will be passed on to Series P PTCs firstly, then towards Series 3 PTCs followed by Series 2 PTCs and lastly towards Series 1 PTCs till complete redemption of the respective PTCs. All excess collections after meeting these payouts shall pe passed on to Series 1 PTCs then towards Series 2 PTCs followed by Series 3 PTCs and lastly Series P PTCs till complete redemption of the respective PTCs. In the event of a shortfall in meeting the promised interest PTC payouts during any month and promised principal PTC payouts on PTC final maturity date, the trustee will utilise the CC to meet the shortfall.

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 8.00% of the initial pool principal, amounting to Rs. 6.04 crore, to be provided by the Originator, (ii) principal subordination of 10.00% of the initial pool principal for Series 1 PTCs, Series 2 PTCs, Series 3 PTCs and Series P PTCs in the form of an equity tranche, and (iii) the EIS of 18.29% of the initial pool principal for Series 1 PTCs, Series 2 PTCs, Series 3 PTCs and Series P PTCs.

Key rating drivers and their description

Credit strengths

Granular pool supported by presence of credit enhancement – The pool is granular, consisting of 5,285 obligors, with top 10 obligors forming only 0.75% 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. Also, ~85% of the contracts have never been overdue since origination while the peak dpd in the balance contracts is up to seven days.

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 ~25% 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.

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

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% 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 26-4
Originator	DMI Finance Private Limited
Servicer	DMI Finance Private Limited
Trustee	Catalyst Trusteeship Limited
CC holding bank	ICICI Bank Limited
Collection and payout account bank	Kotak Mahindra Bank Limited

Liquidity position: Strong

The liquidity for Series 1 PTCs, Series 2 PTCs, Series 3 PTCs and Series P PTCs is strong after factoring in the credit enhancement available to meet the promised payouts to the investor. The total credit enhancement would be ~5.25 times the estimated loss in the pool.

Rating sensitivities

Positive factors – The ratings 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 ratings 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 ratings.

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)

	FY2024	FY2025	FY2026
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

<table>
<tr><th rowspan="3">Sr. No.</th><th rowspan="3">Trust Name</th><th colspan="5">Current Rating (FY2027)</th><th colspan="3">Chronology of Rating History for the Past 3 Years</th></tr>
<tr><th rowspan="2">Instrument</th><th rowspan="2">Initial Amount Rated (Rs. crore)</th><th rowspan="2">Current Amount Rated (Rs. crore)</th><th colspan="2">Date & Rating in FY2027</th><th>Date & Rating in FY2026</th><th>Date & Rating in FY2025</th><th>Date & Rating in FY2024</th></tr>
<tr><th>July 17, 2026</th><th>May 15, 2026</th><th>-</th><th>-</th><th>-</th></tr>
<tr><td rowspan="4">1</td><td rowspan="4">PLUM 26-4</td><td>Series 1 PTCs</td><td>30.93</td><td>30.93</td><td>[ICRA]AA(SO)</td><td>Provisional [ICRA]AA(SO)</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Series 2 PTCs</td><td>15.84</td><td>15.84</td><td>[ICRA]AA(SO)</td><td>Provisional [ICRA]AA(SO)</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Series 3 PTCs</td><td>10.56</td><td>10.56</td><td>[ICRA]AA(SO)</td><td>Provisional [ICRA]AA(SO)</td><td>-</td><td>-</td><td>-</td></tr>
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</table>

Complexity level of the rated instrument

Instrument	Complexity Indicator
Series 1 PTCs	Highly Complex
Series 2 PTCs	Highly Complex
Series 3 PTCs	Highly Complex
Series P PTCs	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 26-4	Series 1 PTCs	May 11, 2026	8.60%	October 25, 2029	30.93	[ICRA]AA(SO)	RBI
		Series 2 PTCs	May 11, 2026	8.60%	October 25, 2029	15.84	[ICRA]AA(SO)	RBI
		Series 3 PTCs	May 11, 2026	8.60%	October 25, 2029	10.56	[ICRA]AA(SO)	RBI
		Series P PTCs	May 11, 2026	8.60%	October 25, 2029	10.56	[ICRA]AA(SO)	RBI

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Annexure II: List of entities considered for consolidated analysis

Not Applicable

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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

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