July 29, 2026

Shriram Finance Limited: Rating withdrawn for assignee payouts issued under a vehicle loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial rated amount (Rs. crore)	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Action	Financial Sector Regulator #
BANK OF INDIA - PCG MAR-2020	Assignee Payouts	234.76	0.69	0.00	[ICRA]AA+(SO); Withdrawn	RBI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

ICRA has withdrawn the rating for the assignee payouts issued under a vehicle loan securitisation transaction originated by Shriram Finance Limited {SFL; rated [ICRA]AAA (Stable)}[1]), as tabulated above. All the payouts to the investors in the above-mentioned instrument have been made and no further payments are due to the investor. SFL was also the servicer of the rated transaction.

The key rating drivers, liquidity position, and rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The detailed rating rationale of the previous rating exercise is available at the below mentioned link:
Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

About the originator

Shriram Finance Limited [SFL; erstwhile Shriram Transport Finance Company Limited (STFC)], incorporated in 1979, is a part of the Shriram Group of companies and an upper layer non-banking financial company (NBFC). Based on the National Company Law Tribunal (NCLT) order dated November 14, 2022, the operations of Shriram City Union Finance Limited (SCUF) and Shriram Capital Limited were merged with STFC, which was rechristened Shriram Finance Limited on November 30, 2022.

SFL enjoys a leadership position in preowned commercial vehicle finance and has a pan-India presence with more than 3,700 branches and other offices. As on December 31, 2025, SFL had a standalone AUM of Rs. 2.92 lakh crore comprising commercial vehicle finance (46%), passenger vehicle finance (22%), loans to micro, small and medium-sized enterprises (MSMEs; 14%), construction equipment and farm equipment finance (7%), two-wheeler loans (6%), personal loans (3%) and gold loans (2%).

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

Key financial indicators (standalone)

Shriram Finance Limited	FY2024	FY2025	FY2026
Total income	34,998	41,859	48,178
Profit after tax	7,190	9,761	9,998
Total managed assets	2,52,802	3,10,141	3,40,976
Gross stage 3 assets	5.5%	4.6%	4.6%
Capital-to-risk weighted assets ratio	20.3%	20.7%	20.4%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; Total managed assets = Total assets + Impairment allowance + Direct assignment – Goodwill

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust name	Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years			
		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	Date & rating in FY2023
				Jul 29, 2026	Jul 24, 2025	Jul 22, 2024	July 21, 2023	Jul 28, 2022
BANK OF INDIA - PCG MAR-2020	Assignee Payouts	234.76	0.00	[ICRA]AA+(SO); Withdrawn	[ICRA]AA+(SO)	[ICRA]AA+(SO)	[ICRA]AA+(SO)	[ICRA]AA+(SO)

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
BANK OF INDIA - PCG MAR-2020	Assignee Payouts	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, is available on ICRA's website Click here

Annexure I: Instrument details

Trust name	Instrument name	Date of issuance / Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current rated amount (Rs. Crore)	Current rating	Financial Sector Regulator #
BANK OF INDIA - PCG MAR-2020	Assignee Payouts	March 31, 2020	9.00%	December 22, 2025	0.00	[ICRA]AA+(SO); Withdrawn	RBI

Source: Company

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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.

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