

June 17, 2025

Shriram Finance Limited: Rating withdrawn for PTCs issued under vehicle loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. Crore)	Previous Rated Amount (Rs. crore)	Current outstanding Amount (Rs. crore)	Rating Action
Sansar Trust Dec 2022	Series A1 PTCs	1,070.02	50.74	0.00	[ICRA]AAA(SO); Withdrawn
	Series A2 PTCs	1,070.02	336.68	0.00	[ICRA]AAA(SO); Withdrawn
Sansar Trust Sep 2022 II	PTC Series A	214.44	32.66	0.00	[ICRA]AAA(SO); Withdrawn
	Second Loss Facility	7.51	9.65	0.00	[ICRA]A-(SO); Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for pass through certificates (PTCs) issued under the vehicle loan receivables transaction originated by Shriram Finance Limited (SFL; rated [ICRA]AA+ (Stable)), as tabulated above. All the payouts to the investor in the above-mentioned instrument have been made and no further payments are due to the investors.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn. The previous detailed rating rationale of surveillance exercise is available below.

Sansar Trust Dec 2022

Sansar Trust Sep 2022 II

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. Based on the National Company Law Tribunal order dated November 14, 2022, the operations of Shriram City Union Finance Limited (SCUF) and Shriram Capital Limited (SCL) 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 3,800 branches and other offices. As on March 31, 2025, its assets under management (standalone) stood at Rs. 2.63 lakh crore

comprising commercial vehicle finance (45%), passenger vehicle finance (21%), small and medium-sized enterprise (SME) lending (14%), construction equipment and farm equipment finance (7%), two-wheeler loans (6%), personal loans (4%), and gold loans (2%).

Key financial indicators

Standalone	FY2023*	FY2024^	FY2025^
	Audited	Audited	Limited Review
Total income	29,803	34,998	41,859
Profit after tax	5,979	7,190	9,761
Total managed assets [#]	2,16,010	2,52,802	3,11,330
Gross stage 3	6.2%	5.5%	4.6%
Capital-to-risk weighted assets ratio	22.6%	20.3%	20.7%

Source: Company, ICRA Research; All ratios are as per ICRA's calculations; Amount in Rs. crore;

With the scheme of arrangement and amalgamation of STFC, SCUF and SCL becoming effective, figures for the year ended March 31, 2023 are not comparable with the figures for the year ended March 31, 2022

*For SFL, prior to the merger with SCUF and SCL; ^Consolidated, post-merger

[#]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

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Date & Rating in FY2026 June 17, 2025	Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated (Rs. crore)	Current Amount Rated (Rs. crore)		Date & Rating in FY2025 Dec 11, 2024	Date & Rating in FY2024 Jan 19, 2024	Date & Rating in FY2023	
								Jan 17, 2023	Dec 23, 2022
1	Sansar Trust Dec 2022	Series A1 PTCs	1,070.02	0.00	[ICRA] AAA(SO); withdrawn	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA] AAA(SO)	Provisional [ICRA]AAA(SO)
		Series A2 PTCs	1,070.02	0.00	[ICRA] AAA(SO); withdrawn	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA] AAA(SO)	Provisional [ICRA]AAA(SO)

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Date & Rating in FY2026 June 17, 2025	Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated (Rs. crore)	Current Amount Rated (Rs. crore)		Date & Rating in FY2025		Date & Rating in FY2024	
						Mar 19, 2025	Dec 11, 2024	Jan 19, 2024	Jan 23, 2023
2	Sansar Trust Sep 2022 II	PTC Series A	214.44	0.00	[ICRA] AAA(SO); withdrawn	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA] AAA(SO)	[ICRA] AAA(SO)
		Second Loss Facility	7.51	0.00	[ICRA] A-(SO); withdrawn	[ICRA] A-(SO)	[ICRA] A-(SO)	[ICRA] A-(SO)	[ICRA] A-(SO)

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Sansar Trust Dec 2022	Series A1 PTCs	Moderately Complex
	Series A2 PTCs	Moderately Complex
Sansar Trust Sep 2022 II	PTC Series A	Simple
	Second Loss Facility	Simple

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 analyzing 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: www.icra.in

Annexure I: Instrument details

Trust Name	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating
Sansar Trust Dec 2022	Series A1 PTCs	Dec 30, 2022	8.01%	Jan 22, 2028	0.00	[ICRA]AAA(SO); Withdrawn
	Series A2 PTCs		8.01%		0.00	[ICRA]AAA(SO); Withdrawn
Sansar Trust Sep 2022 II	PTC Series A	Sep 29, 2022	7.30%	May 18, 2027	0.00	[ICRA]AAA(SO); Withdrawn
	Second Loss Facility		--		0.00	[ICRA]A-(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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