

October 30, 2025

Shriram Finance Limited: Rating withdrawn for Assignee Payouts issued under vehicle loan securitisation transaction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
Bank of India_May 2020	Assignee Payouts	291.01	7.43	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI _ June 2020	Assignee Payouts	175.00	7.93	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI _ July 2020	Assignee Payouts	138.47	6.33	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI SEP 2020	Assignee Payouts	160.10	5.00	0.00	[ICRA]AA+(SO); Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for Assignee Payouts (AP) issued under the vehicle loan receivables transaction originated by Shriram Finance Limited {SFL; rated [ICRA]AA+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liquidity position and rating sensitivities have not been captured as the rating assigned to the instruments has been withdrawn. The previous detailed rating rationale of surveillance exercise is available below.

[Link to the rationale](#)

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 3,700 branches and other offices. As on June 30, 2025, SFL's assets under management (AUM) stood at Rs. 2.72 lakh crore comprising commercial vehicle finance (45%), passenger vehicle finance (21%), CE and farm equipment finance (8%), small and medium-sized enterprise (SME) lending (14%), personal loans (4%), gold loans (2%) and two-wheeler loans (6%).

Key financial indicators

Shriram Finance Limited (standalone)	FY2024	FY2025	Q1 FY2026
Total income	34,998	41,859	11,542
Profit after tax	7,190	9,761	2,156
Total managed assets	2,52,802	3,11,330	3,23,253
Gross stage 3 assets	5.5%	4.6%	4.5%
Capital-to-risk weighted assets ratio	20.3%	20.7%	20.8%

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

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated	Current Amount Rated	Date & Rating in FY2026	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
			(Rs. crore)	(Rs. crore)	Oct 30, 2025	Oct 29, 2024	Oct 25, 2023	Nov 28, 2022
1	Bank of India_May 2020	Assignee Payouts	291.01 [^]	0.00	[ICRA] AA+(SO); withdrawn	[ICRA] AA+(SO)	[ICRA] AA+(SO)	[ICRA] AA+(SO)

[^] Initial rated amount was Rs. 450.63 crore of which Rs. 159.62 crore was withdrawn on Nov 09, 2020.

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated	Current Amount Rated	Date & Rating in FY2026	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
			(Rs. crore)	(Rs. crore)	Oct 30, 2025	Oct 29, 2024	Oct 25, 2023	Nov 28, 2022
2	STFC BOI _ June 2020	Assignee Payouts	175.00	0.00	[ICRA] AA+(SO); withdrawn	[ICRA] AA+(SO)	[ICRA] AA+(SO)	[ICRA] AA+(SO)

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated	Current Amount Rated	Date & Rating in FY2026	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
			(Rs. crore)	(Rs. crore)	Oct 30, 2025	Oct 29, 2024	Oct 25, 2023	Nov 28, 2022
3	STFC BOI _ July 2020	Assignee Payouts	138.47	0.00	[ICRA] AA+(SO); withdrawn	[ICRA] AA+(SO)	[ICRA] AA+(SO)	[ICRA] AA+(SO)

S. No.	Trust Name	Instrument	Current Rating (FY2026)		Chronology of Rating History for the Past 3 Years			
			Initial Amount Rated (Rs. crore)	Current Amount Rated (Rs. crore)	Date & Rating in FY2026	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023
					Oct 30, 2025	Oct 29, 2024	Oct 25, 2023	Nov 28, 2022
4	STFC BOI SEP 2020	Assignee Payouts	160.10	0.00	[ICRA] AA+(SO); withdrawn	[ICRA] AA+(SO)	[ICRA] AA+(SO)	[ICRA] AA+(SO)

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Bank of India_May 2020	Assignee Payouts	Moderately Complex
STFC BOI _ June 2020	Assignee Payouts	Moderately Complex
STFC BOI _ July 2020	Assignee Payouts	Moderately Complex
STFC BOI SEP 2020	Assignee Payouts	Moderately 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 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
Bank of India_May 2020	Assignee Payouts	June 09, 2020	9.00%	July 22, 2026	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI _ June 2020	Assignee Payouts	June 30, 2020	9.00%	March 22, 2026	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI _ July 2020	Assignee Payouts	July 28, 2020	9.00%	March 22, 2026	0.00	[ICRA]AA+(SO); Withdrawn
STFC BOI SEP 2020	Assignee Payouts	September 30, 2020	9.00%	September 22, 2026	0.00	[ICRA]AA+(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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