

Shriram Transport Finance Company Limited

April 24, 2018

Summary of Rated Instruments

Sl.	Trust Name	Instrument*	Initial Amount (Rs. crore ¹)	Amount O/s after Mar-18 Payout (Rs. crore)	Rating action
1	Sansar Trust Sep 2017 III	PTC Series A1	80.52	0.00	[ICRA]A1+(SO) Withdrawn
		PTC Series A2	85.03	0.00	[ICRA]A1+(SO) Withdrawn

*Instrument details are provided in Annexure I

Rating Action

ICRA has withdrawn the ratings for PTCs issued under a vehicle loan securitisation transaction originated by Shriram Transport Finance Company Limited, as tabulated above.

Rationale

All the payouts to the investors in the above mentioned instruments have been made and no further payment is due to the investors.

Key rating drivers

Credit Strengths

- N.A.

Credit Weakness

- N.A.

Description of key rating drivers highlighted above:

N.A.

Key rating assumptions

N.A.

Analytical approach:

N.A.

Links to applicable Criteria

[ICRA's Policy on Withdrawal and Suspension of Credit Rating](#)

¹ 100 lakh = 1 crore = 10 million

About the Company:

STFC is the market leader in financing of used vehicles with a total AUM of Rs. 90,019 crore as on December 31, 2017. Used vehicle financing accounted for around 86% of its portfolio (managed assets) as on December 31, 2017. The company finances vehicles with age of up to 12 years.

In 9M FY2018 STFC reported a Profit After Tax (PAT) of Rs. 1423.42 crore on a total income base of Rs. 8967.79 crore against a PAT of Rs. 1107.71 crore on a total income base of Rs. 8118.30 crore during the corresponding period in the previous financial year. As on December 31, 2017 STFC had a net worth of Rs. 12,424 crore and had a reported capital adequacy of 16.15%. As on December 31, 2017, STFC had a Gross NPA% of 7.98% and a Net NPA of 2.45% against a Gross NPA% of 6.62% and a Net NPA of 1.71% a year earlier.

ICRA currently has a rating of MAA+ (Stable) on the fixed deposit programme of STFC and a rating of [ICRA]AA with Stable Outlook to the subordinate debt programme of STFC.

Key Financial ratios (Audited):

STFC (Standalone)	FY2016	FY2017
Total Income (Rs. Crore)	10,195	10,731
Profit before tax (Rs. Crore)	1,781	1,924
Profit after tax (Rs. Crore)	1,178	1,257
Total Managed Portfolio (Rs. Crore)	61,878	65,463
Total Managed Assets (Rs. Crore)	72,761	78,761
CAR%	17.56%	16.94%
Gearing	5.09	4.89
% RoMA (return on managed assets)	1.59%	1.51%
% Return on Net worth	12.19%	11.74%
Gross NPA%	6.18%	8.16%
Net NPA%	1.91%	2.65%

Source: STFC's investor presentation and ICRA research; Amount in Rs. Crore

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years:

Table:

S.No	Name of Instrument	Current Rating			Month-year & Rating April 2018	Chronology of Rating History for the past 3 years	
		Type	Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)		Month- year & Rating	
						October 2017	October 2017
1	Sansar Trust Sep 2017 III	PTC Series A1	80.52	Nil	[ICRA]A1+(SO) Withdrawn	[ICRA]A1+(SO)	Provisional [ICRA]A1+(SO)
		PTC Series A2	85.03	Nil	[ICRA]A1+(SO) Withdrawn	[ICRA]A1+(SO)	Provisional [ICRA]A1+(SO)

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure I Details of Instruments

Sl.	Trust Name	Instrument	Date of Issuance	Coupon Rate (p.a.)	Scheduled Maturity Date	Rated Amount (Rs. crore ²)	Current Rating
1	Sansar Trust Sep 2017 III	PTC Series A1	September 2017	7.77%	June 2022	80.52	[ICRA]A1+(SO) Withdrawn
		PTC Series A2		7.77%		85.03	[ICRA]A1+(SO) Withdrawn

per annum payable monthly

² 100 lakh = 1 crore = 10 million

Analyst Contacts

Vibhor Mittal

+91 22-6114 3440

vibhorm@icraindia.com

Rahul Panigrahi

+91 22-6114 3436

rahul.panigrahi@icraindia.com

Sachin Joglekar

(+91) 22-6114 3470

sachin.joglekar@icraindia.com

Ayush Agarwal

(+91) 22-6114 3417

ayush.agarwal@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

naznin.prodhani@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 6606 9999

© Copyright, 2018 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents