

Shriram Transport Finance Company Limited

May 16, 2018

Summary of Rated Instruments

Sl.	Trust Name	Instrument*	Initial Amount (Rs. crore ¹)	Amount O/s after Apr-18 Payout (Rs. crore)	Rating action
1	Sansar Trust Sep 2017 III	PTC Series A3	171.45	0.00	[ICRA]A1+(SO) Withdrawn

*Instrument details are provided in Annexure I

Rating Action

ICRA has withdrawn the ratings for PTC A3 issued under a vehicle loan securitisation transaction originated by Shriram Transport Finance Company Limited, as tabulated above.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 instrument has 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. 95,306 crore as on March 31, 2018. Used vehicle financing accounted for around 84% of its portfolio (managed assets) as on March 31, 2018. The company finances vehicles with age of up to 12 years.

In FY2018 STFC reported a Profit After Tax (PAT) of Rs. 1568.02 crore on a total income base of Rs. 12143.55 crore against a PAT of Rs. 1257.34 crore on a total income base of Rs. 10730.58 crore in FY2017. As on March 31, 2018 STFC had a net worth of Rs. 12,572 crore and had a reported capital adequacy of 16.87%. As on March 31, 2018, STFC had a Gross NPA% of 9.15% and a Net NPA of 2.83% against a Gross NPA% of 8.16% and a Net NPA of 2.65% a year earlier.

ICRA currently has a rating of MAA+ (Stable) on the fixed deposit programme of STFC.

Key financial indicators (audited)

STFC (Standalone)	FY2017	FY2018
Total Income (Rs. Crore)	10,731	12,144
Profit before tax (Rs. Crore)	1,924	2,372
Profit after tax (Rs. Crore)	1,257	1,568
Total Managed Portfolio (Rs. Crore)	65,463	79,673
Total Managed Assets (Rs. Crore)	78,761	95,306
CAR%	16.94%	16.87%
Cost to Income Ratio %	21.15%	20.59%
% Return on Assets	1.76%	1.94%
% Return on Equity	11.61%	13.06%
Gross NPA%	8.16%	9.15%
Net NPA%	2.65%	2.83%

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	Chronology of Rating History for the past 3 years	
		Type	Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)		Month- year & Rating	
						May 2018	October 2017
1	Sansar Trust Sep 2017 III	PTC Series A3	171.45	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	Initial Amount (Rs. crore ²)	Current Rating
1	Sansar Trust Sep 2017 III	PTC Series A3	September 2017	7.77%	June 2022	171.45	[ICRA]A1+(SO) Withdrawn

per annum payable monthly

² 100 lakh = 1 crore = 10 million

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For more information, visit www.icra.in

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