

Shriram Transport Finance Company Limited

August 28, 2018

Summary of Rated Instruments

Sl.	Trust Name	Instrument*	Initial Amount (Rs. crore ¹)	Amount O/s after previous surveillance (Rs. crore)	Amount O/s after Jul-18 Payout (Rs. crore)	Rating action
1	Sansar Trust	PTC Series A	544.47	60.76	0.00	[ICRA]AAA(SO) Withdrawn
	September 2015	Second Loss Facility	32.67	32.67	0.00	[ICRA]BBB(SO) Withdrawn

*Instrument details are provided in Annexure I

Rating Action

ICRA has withdrawn the ratings for PTCs and Second Loss Facility issued under a vehicle loan securitisation transaction originated by Shriram Transport Finance Company Limited,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. 100,978 crores as on June 30, 2018. Used vehicle financing accounted for around 84% of its portfolio (managed assets) as on June 30, 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. In Q1 FY2019 STFC reported a Profit After Tax (PAT) of Rs. 571.72 crore on a total income base of Rs. 3739.85 crore against a PAT of Rs. 459.69 crore on a total income base of Rs. 3118.68 crore in Q1 FY2018. As on June 30, 2018 STFC had a net worth of Rs. 14,023 crore and had a reported capital adequacy of 17.06%. As on June 30, 2018, STFC had a Gross NPA% of 8.98% and a Net NPA of 2.74% against a Gross NPA% of 8.03% and a Net NPA of 2.49% 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	Initial Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)		Month- year & Rating			
						August 2018	May 2018	July 2017	August 2016
1	Sansar Trust	PTC Series A	544.47	Nil	[ICRA]AAA(SO) Withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)	
	September 2015	Second Loss Facility	32.67	Nil	[ICRA]BBB(SO) Withdrawn	[ICRA]BBB(SO)	[ICRA]BBB(SO)	[ICRA]BBB(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	Scheduled Maturity Date	Rated Amount (Rs. crore ²)	Current Rating
1	Sansar Trust September 2015	PTC Series A	September 2015	7.97%	March 2020	Nil	[ICRA]AAA(SO) Withdrawn
		Second Loss Facility		N.A.		Nil	[ICRA]BBB(SO) Withdrawn

per annum payable monthly

² 100 lakh = 1 crore = 10 million

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About ICRA Limited:

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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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