

Shriram Transport Finance Company Limited

October 10, 2018

Summary of Rated Instruments

Sl.	Trust Name	Instrument*	Initial Amount (Rs. crore ¹)	Amount O/s after last surveillance (Rs. crore)	Amount O/s after Jul-18 Payout (Rs. crore)	Rating action
1	Sansar Trust Sep 2017 III	PTC Series A4	158.64	118.96	0.00	[ICRA]AAA(SO) Withdrawn

*Instrument details are provided in Annexure I

Rating Action

ICRA has withdrawn the ratings for PTC Series A4 issued under a vehicle loan securitisation transaction originated by Shriram Transport Finance Company Limited, as tabulated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.

¹ 100 lakh = 1 crore = 10 million

Links to applicable Criteria

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

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	Type	Current Rating (FY2019)		Month-year & Rating	Chronology of Rating History for the past 3 years			
			Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)		Month- year & Rating	Month- year & Rating	Month- year & Rating	Month- year & Rating
					October 2018	May 2018	October 2017	October 2017*	
1	Sansar Trust Sep 2017 III	PTC Series A4	158.64	Nil	[ICRA]AAA(SO) Withdrawn	ICRA]AAA(SO)	ICRA]AAA(SO)	Provisional [ICRA]AAA(SO)	

**Initial Ratings Assigned*

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 Sep 2017 III	PTC Series A4	September 2017	7.77%	June 2022	Nil	[ICRA]AAA(SO) Withdrawn

per annum payable monthly

² 100 lakh = 1 crore = 10 million

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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.

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