

October 29, 2024

Sundaram Finance Limited: Rating withdrawn for PTCs issued under vehicle loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial Rated Amount (Rs. Crore)	Previous Rated Amount (Rs. crore)	Current rated Amount (Rs. crore)	Rating Action
Shri Trust AC 2020	PTC Series A	423.67	17.11	0.00	[ICRA]AAA(SO); Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for pass through certificates (PTCs) issued under a vehicle loan receivables transaction originated by Sundaram Finance Limited (SFL; rated [ICRA]AAA(Stable)), as tabulated above. All the payouts to the investors in the above-mentioned instrument has 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liquidity position and rating sensitivities have not been captured as the rating assigned to the instruments have been withdrawn. The previous detailed rating rationale of surveillance exercise is available at this [link](#).

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

SFL is the flagship company of the TSF Group. It is one of the large NBFCs in the country with an AUM of Rs. 43,987 crore as of March 2024. Its primary focus is on the financing of CVs and cars. SFL has invested in various entities to provide a gamut of financial services like housing finance (SHFL), insurance (Royal Sundaram) and mutual funds (SAMCL).

SFL reported a standalone net profit of Rs. 1,454 crore in FY2024 on a managed asset base of Rs. 43,987 crore compared with a net profit of Rs. 1,088 crore on a managed asset base of Rs. 41,140 crore in FY2023.

Key Financial Indicators (audited)- As per IND AS

SFL – Standalone	FY2022	FY2023	FY2024
Total income	3,890	4,110	5,494
Profit after tax	903	1,088	1,454
Total managed assets	35,628	41,140	43,987
Gross stage 3	2.2%	1.7%	1.3%
Capital-to-risk adequacy ratio (CRAR)	24.4%	22.8%	20.5%

Source: Company, ICRA Research; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust Name		Current Rating (FY2025)		Chronology of Rating History for the Past 3 Years			
		Initial Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				Oct 29, 2024	Oct 04, 2023	Mar 29, 2023	Mar 21, 2022
Shri Trust AC 2020	PTC Series A	423.67	0.00	[ICRA]AAA(SO); withdrawn	[ICRA]AAA(SO)	[ICRA]AAA(SO)	[ICRA]AAA(SO)

Complexity level of the rated instrument

Trust Name	Instrument	Complexity Indicator
Shri Trust AC 2020	PTC Series A	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: [click here](#)

Annexure I: Instrument details

Trust Name	Instrument Type	Date of Issuance / Sanction	Coupon Rate (p.a.p.m.)	Maturity Date	Current Rated Amount (Rs. crore)	Current Rating
Shri Trust AC 2020	PTC Series A	September 30, 2019	6.40%	December 25, 2024	0.00	[ICRA]AAA(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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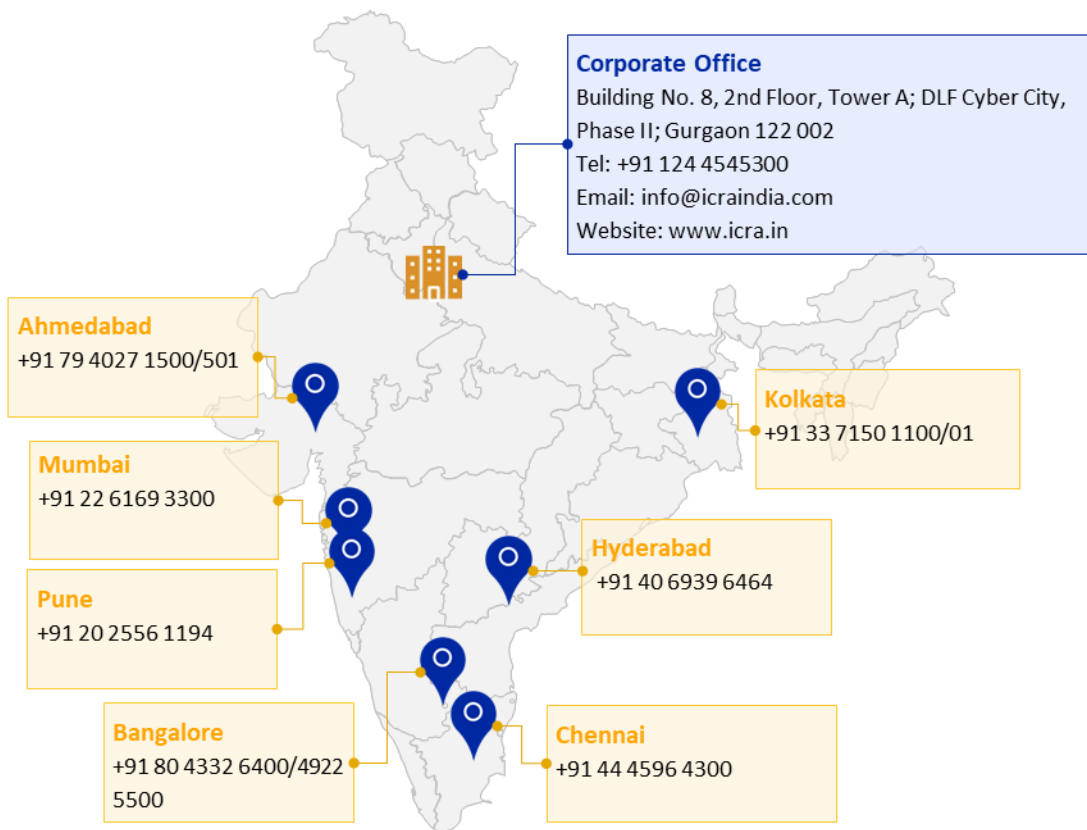
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