

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 511218

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor,
Plot no. C/1, G- Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.
NSE Symbol: SHRIRAMFIN

Dear Sirs,

Sub.: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') – Upgrade in Credit Rating by Fitch Ratings

This is to inform that Fitch Ratings has upgraded the Company's Long-Term Foreign and Local Currency Issuer Default Ratings ('IDR') to BBB- with Stable outlook and Short-Term IDR to F3 and has removed the ratings from Rating Watch Positive (RWP) vide its publication dated April 14, 2026.

The Fitch Ratings actions are as follows:

Particulars	Prior Rating	Upgraded Rating
Long-Term Foreign IDR	BB+ Rating Watch Positive	BBB-/Stable
Short-Term IDR	B Rating Watch Positive	F3
Local Currency Long-Term IDR	BB+ Rating Watch Positive	BBB-/Stable
Senior Secured Long-Term	BB+ Rating Watch Positive	BBB-

Published Rating dated April 14, 2026 is enclosed.

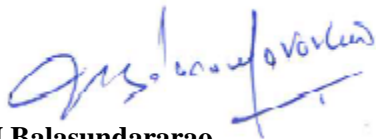
The above information will also be available on the website of the Company at www.shriramfinance.in

This is in compliance with Regulation 30 of the Listing Regulations and other applicable provisions of Listing Regulations, if any.

We request you to take the same on record.

Thanking you,
Yours faithfully,

for **Shriram Finance Limited**



U Balasundararao
Company Secretary & Chief Compliance Officer

Encl.: a/a.

Shriram Finance Limited

Corporate Office: Wockhardt Towers, Level -III, West Wing, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra. Ph: +91 22 4095 9595

Registered Office: Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India. Tel: +91 44 485 24 666

Email: secretarial@shriramfinance.in | Website: www.shriramfinance.in | Corporate Identity Number (CIN) — L65191TN1979PLC007874

14 APR 2026

Fitch Upgrades Shriram Finance to 'BBB-'; Off Ratings Watch Positive; Outlook Stable

Fitch Ratings - Singapore/Mumbai - 14 Apr 2026: Fitch Ratings has upgraded India-based Shriram Finance Limited's (SFL) Long-Term Foreign- and Local-Currency Issuer Default Ratings (IDRs) to 'BBB-' from 'BB+'. Fitch has also upgraded the senior secured rating to 'BBB-' from 'BB+' and the Short-Term IDR to 'F3' from 'B'. At the same time, Fitch has removed the ratings from Rating Watch Positive (RWP). The Outlook on the Long-Term IDRs is Stable.

The ratings were placed on RWP in January 2026 following Mitsubishi UFJ Financial Group, Inc.'s (MUFG, A-/Stable) agreement to acquire a 20% stake in SFL through its core bank, MUFG Bank, Ltd. (A/Stable). The resolution of the RWP and the ratings upgrade follow completion of the transaction after receipt of necessary regulatory approvals.

SFL's credit profile benefits from a one-notch uplift from its Standalone Credit Profile (SCP), reflecting the strategic investment from a stronger long-term shareholder, in line with Fitch's Non-Bank Financial Institutions (NBFI) Rating Criteria.

Key Rating Drivers

Notched Up from the SCP: SFL's SCP anchors its Long-Term IDRs, as the finance company retains primary control over its strategy and operations. However, Fitch rates SFL one notch above the SCP to reflect improved prospects of external support from MUFG in times of need.

MUFG's consolidated credit profile is significantly stronger than that of SFL and Fitch believes the Japanese financial group's investment is strategic and long-term. Fitch expects mutually beneficial product development opportunities due to synergies from the partnership, and some governance alignment with MUFG.

Strategic Alignment: MUFG views India as a strategic market, supported by the country's favourable long-term growth outlook. Fitch believes SFL is one of MUFG's key growth vehicles in India, given SFL's established local franchise in the fast-growing SME and retail lending segments. We expect MUFG's strategic coordination with SFL and shareholder oversight to be structured through MUFG's right to nominate two board directors and place six of its employees with SFL.

MUFG has identified several potential benefits from the partnership, including product development opportunities for SFL, by tapping lower-cost funds to finance lower-risk vehicles, and supporting MUFG's customer ecosystem in India. SFL would also benefit from MUFG's inputs in the use of technology in operations and customer engagement. That said, Fitch expects such outcomes to

emerge only over time.

Pre-Emptive Shareholder Rights: MUFG's 20.0% stake is just below SFL's promoter's 20.3% shareholding. MUFG has pre-emptive rights to subscribe to any future SFL share issuance on a pro rata basis and is restricted from making any significant investment of 20% or more in other Indian non-bank finance companies with similar business lines. This reinforces SFL's position as MUFG's key investment and strategic partner in its business niche. India's regulations allow foreign shareholders to fully own non-bank financing entities.

SCP Among Industry's Strongest: SFL's SCP is among the strongest of rated Indian non-bank financial institutions, owing to its established franchise in used commercial-vehicle financing, seasoned management, diverse funding profile, improved asset quality performance and consistent profitability.

Increased Equity Base: MUFG's INR396 billion (USD4.4 billion) equity injection has broadened SFL's capital base, with pro forma end-December 2025 debt/tangible equity falling to 2.5x, from 4.2x pre-infusion. This provides headroom for growth and technology investment. SFL anticipates loan growth to pick up from cross-selling new vehicle loans to existing borrowers, but Fitch does not expect large shifts in the loan mix. Fitch projects leverage to gradually rise as the company expands, but to remain commensurate with the current rating.

Enhancement in Funding Access: We expect the strategic tie-up to enhance SFL's capital and funding market access over time, given MUFG's reputation as a supportive long-term shareholder globally. SFL expects its cost of funding to ease, which should allow the company to cross-sell lower-yielding, less-risky new vehicle loans and support its risk-adjusted net interest margin and profitability. We expect MUFG to continue providing debt funding facilities to SFL on commercial terms.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

SFL's ratings remain linked to its SCP. The ratings could be downgraded if the operating environment weakens materially, asset quality and profitability decline significantly, funding becomes tighter or more concentrated, or liquidity deteriorates. Leverage persistently above 5x or significant risk-taking, such as aggressive expansion in riskier segments relative to peers, may also lead to negative rating action.

Negative rating action on MUFG, denoting a weakening ability to provide support, or signs of a lower propensity from MUFG to support SFL - such as a planned reduction in ownership, or the absence of ordinary capital or liquidity support when required - could cause Fitch to remove the upward notching on SFL's SCP, which could result in an IDR downgrade.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

Fitch may raise the SCP upon a significant improvement in the operating environment along with a stronger business and risk profile, such that the impaired loan ratio and credit costs are significantly

lower while maintaining adequate profitability, stable capitalisation and a well-balanced funding and liquidity profile.

A significant increase in MUFG's ownership in SFL, especially if combined with a rise in SFL's long-term strategic significance for MUFG and closer integration, could lead to an IDR upgrade via strengthening support assumptions.

DEBT AND OTHER INSTRUMENT RATINGS: KEY RATING DRIVERS

The ratings on SFL's US dollar medium-term note (MTN) programme and foreign-currency senior secured debt are at the same level as its Long-Term Foreign-Currency IDR, in line with Fitch's rating criteria.

Indian NBFIs borrowings are typically secured, and Fitch believes that non-payment of their senior secured debt would best reflect an uncured failure of the entity. NBFIs can issue unsecured debt in overseas markets, but such debt is likely to constitute a small portion of their funding and thus cannot be viewed as their primary financial obligation.

DEBT AND OTHER INSTRUMENT RATINGS: RATING SENSITIVITIES

Any change in the Long-Term Foreign-Currency IDR would lead to a corresponding change in the ratings of the MTN programme and foreign-currency senior secured debt.

ADJUSTMENTS

The sector risk operating environment score has been assigned above the implied score for the following adjustment reasons: size and structure of economy (positive) and economic performance (positive).

The asset quality score has been assigned above the implied score for the following adjustment reasons: loan charge-offs, depreciation or impairment policy (positive).

The funding, liquidity and coverage score has been assigned above the implied score for the following adjustment reasons: funding flexibility (positive) and cash flow-generative business model (positive).

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

Public Ratings with Credit Linkage to other ratings

SFL's ratings are linked to MUFG's rating.

ESG Considerations

SFL has an ESG Relevance Score of '3' for Customer Welfare, compared with the standard score of '2' for the finance and leasing sector. This reflects its retail-focused operation, which exposes it to risks

around fair-lending, pricing-transparency, repossession, foreclosure and collection practices. Aggressive practices in these areas may subject the company to legal, regulatory and reputational risk that may have a negative effect on its credit profile. The relevance score of '3' for this factor reflects Fitch's view that these risks are adequately managed and have a low impact on SFL's credit profile.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores.

Fitch Ratings Analysts

Wen Jun Poh

Associate Director

Primary Rating Analyst

+65 6796 2717

Fitch Ratings Singapore Pte Ltd. 1 Wallich Street #19-01 Guoco Tower Singapore 078881

Siddharth Goel

Director

Secondary Rating Analyst

+91 22 4000 1760

Jonathan Lee

Managing Director

Committee Chairperson

+886 2 8175 7601

Media Contacts

Bindu Menon

Mumbai

+91 22 4000 1727

bindu.menon@fitchratings.com

Leslie Tan

Singapore

+65 6796 7234

leslie.tan@thefitchgroup.com

Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
Shriram Finance Limited	LT IDR	BBB- ●	Upgrade	BB+ ◆
	ST IDR	F3	Upgrade	B ◆
	LC LT IDR	BBB- ●	Upgrade	BB+ ◆
	• senior secured LT	BBB-	Upgrade	BB+ ◆

RATINGS KEY OUTLOOK WATCH

POSITIVE	⊕	◆
NEGATIVE	⊖	◆
EVOLVING	◊	◆
STABLE	○	

Applicable Criteria

[Country-Specific Treatment of Recovery Ratings Criteria \(pub.20 Feb 2026\)](#)

[Financial Institutions Climate Vulnerability Rating Criteria \(pub.08 Dec 2025\)](#)

[Non-Bank Financial Institutions Rating Criteria \(pub.31 Jan 2025\) \(including rating assumption sensitivity\)](#)

Additional Disclosures

[Solicitation Status](#)

Endorsement Status

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. ESMA and the FCA are required to publish historical default rates in a central repository in accordance with Articles 11(2) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 and The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 respectively.

Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts

of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see [Best- and Worst-Case Measures](#) under the Rating Performance page on Fitch's website.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001. Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

dv01, a Fitch Solutions company, and an affiliate of Fitch Ratings, may from time to time serve as loan data agent on certain structured finance transactions rated by Fitch Ratings.

Copyright © 2026 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

Endorsement policy

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.