



Shriram Transport Finance Company Ltd

Q2 H1 FY2021 Investor Update

October 29, 2020



BUSINESS UPDATE

- * In spite of the moratorium, the Company has been able to collect from 84 % , 23 % , 52 % , 71 % , 73 % , 78 % borrowers in the month of March , April , May , June, July and August 2020 respectively.
- * Post moratorium, the collections for the month of September 2020 was 95 % of the Demand.
- * The Company expects One Time Restructuring to be opted by around 3 % of its portfolio whose business is still being impacted by COVID – 19.
- * The liquidity buffer and SLR investments was Rs. 108.91 bn and Rs. 18.09 bn respectively.

Additional Expected Credit Loss (ECL) provision on Loans on account of COVID – 19

Particulars (Rs. mn)	Q4FY20	Q1 FY21	Q2 FY21	H1 FY21	Cumulative provision till September 30 2020
COVID – 19 provision	9,096.40	9,561.50	4,166.50	13,728.00	22,824.40

The above additional ECL provision is based on the Company's historical experience and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.





Performance Highlights – Q2 FY21 vs Q2 FY20 (as per Ind AS)

Total Income	4.68% ↑	Q2 FY21	Rs 43,512.6 mn
		Q2 FY20	Rs 41,569.2 mn
Net Interest Income*	1.67% ↓	Q2 FY21	Rs 20,218.6 mn
		Q2 FY20	Rs 20,561.1 mn
PAT	10.52% ↓	Q2 FY21	Rs 6,845.6 mn
		Q2 FY20	Rs 7,650.5 mn
EPS	15.43% ↓	Q2 FY21	Rs 27.79
		Q2 FY20	Rs 32.86

* including Direct assignment Income
Rs. 680.2 Mn (Q2 FY20 Rs 38.90 Mn)

* Cost to income ratio at 21.70% in Q2 FY21 as compared to 23.13% in Q2 FY20

Performance Highlights – H1 FY21 vs H1 FY20 (as per Ind AS)

Total Income	3.76%		H1 FY21	Rs 84,954.3 mn
			H1 FY20	Rs 81,875.4 mn
Net Interest Income*	4.14%		H1 FY21	Rs 38,649.3 mn
			H1 FY20	Rs 40,318.3 mn
PAT	28.21%		H1 FY21	Rs 10,046.2 mn
			H1 FY20	Rs 13,993.0 mn
EPS	32.14%		H1 FY21	Rs 40.78
			H1 FY20	Rs 60.09

* including Direct assignment Income
Rs. 711.4 Mn (H1 FY20 Rs 149.2 Mn)

* Cost to income ratio at 20.27% in H1 FY21 as compared to 22.48% in H1 FY20

Performance Highlights – Q2 FY21 vs Q2 FY20 (as per Ind AS)

AUM	4.83% ↑	Q2 FY21	Rs 1,133,459.3 mn
		Q2 FY20	Rs 1,081,202.4 mn
Gross Stage 3 assets	12.55% ↓	Q2 FY21	Rs 82,171.2 mn
		Q2 FY20	Rs 93,965.6 mn
Net Stage 3 assets	22.35% ↓	Q2 FY21	Rs 49,540.5 mn
		Q2 FY20	Rs 63,800.2 mn
Book Value	6.87% ↑	Q2 FY21	Rs 802.66
		Q2 FY20	Rs 751.03

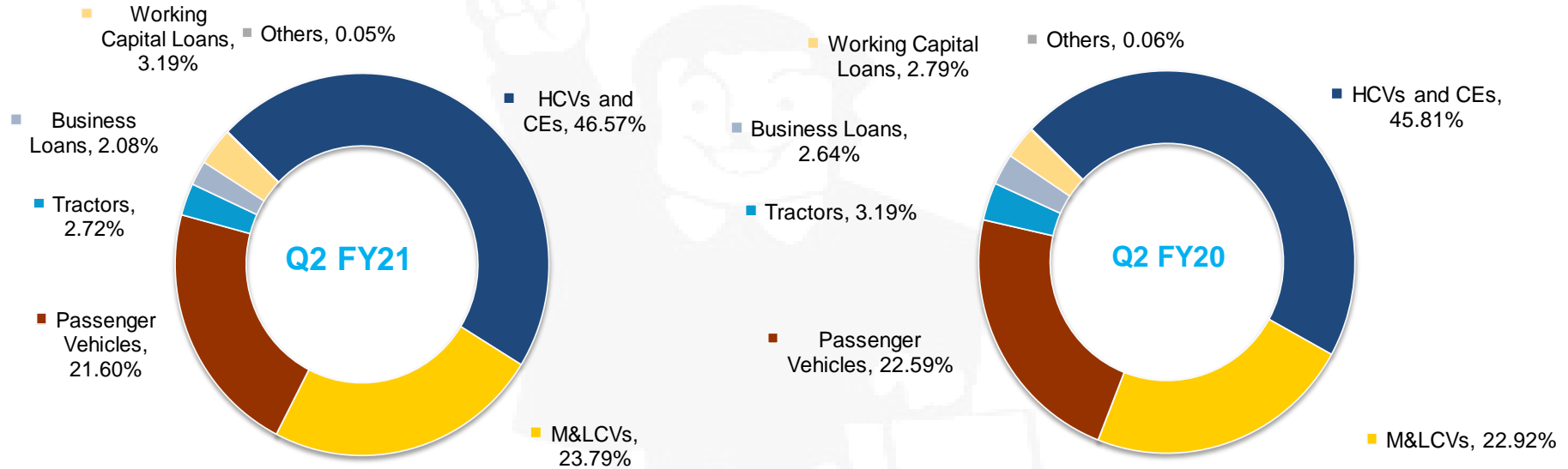
* CRAR at 23.44% as of Q2 FY21 compared to 20.35% as of Q2 FY20.

AUM Break-up (as per Ind AS)

Particulars (Rs. mn)	Q2 FY20	Q1 FY21	Q2 FY21	YoY (%)	QoQ (%)	H1 FY20	H1 FY21	YoY (%)	FY20
Loan Portfolio									
- On Books									
Balance sheet assets	847,722.0	876,987.8	873,031.2	2.99%	-0.45%	847,722.0	873,031.2	2.99%	873,971.2
Securitised assets	216,911.7	228,830.4	244,232.1	12.60%	6.73%	216,911.7	244,232.1	12.60%	211,045.9
Total On books	1,064,633.7	1,105,818.2	1,117,263.3	4.94%	1.03%	1,064,633.7	1,117,263.3	4.94%	1,085,017.1
- Off Books*	16,568.7	11,745.5	16,196.0	-2.25%	37.89%	16,568.7	16,196.0	-2.25%	12,475.3
Total AUM	1,081,202.4	1,117,563.7	1,133,459.3	4.83%	1.42%	1,081,202.4	1,133,459.3	4.83%	1,097,492.4
- New	109,666.6	96,561.0	92,324.7	-15.81%	-4.39%	109,666.6	92,324.7	-15.81%	97,951.2
- Used	912,146.4	958,640.0	980,888.3	7.54%	2.32%	912,146.4	980,888.3	7.54%	939,489.5
- Business Loans	28,521.4	25,217.3	23,621.7	-17.18%	-6.33%	28,521.4	23,621.7	-17.18%	25,649.8
- Working capital loans	30,267.6	36,656.9	36,114.2	19.32%	-1.48%	30,267.6	36,114.2	19.32%	33,859.4
- Others	600.4	488.5	510.4	-14.99%	4.48%	600.4	510.4	-14.99%	542.5
Total AUM	1,081,202.4	1,117,563.7	1,133,459.3	4.83%	1.42%	1,081,202.4	1,133,459.3	4.83%	1,097,492.4

*Off Books pertains to Direct assignment portfolio

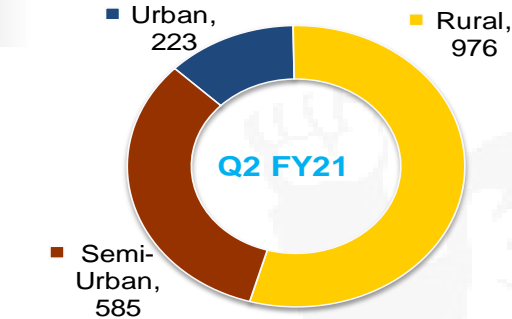
Segment-wise Break up



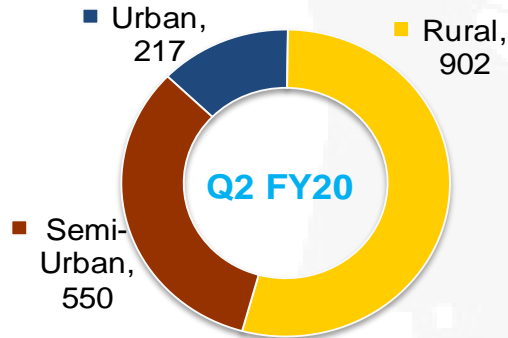
Branch & AUM distribution – Q2 FY21 vs Q2 FY20

Branch (Nos)

Total Branch 1,784

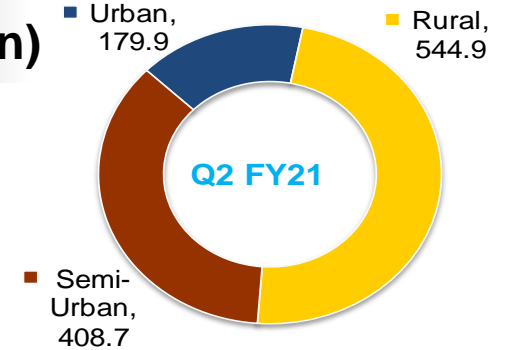


Total Branch 1,669

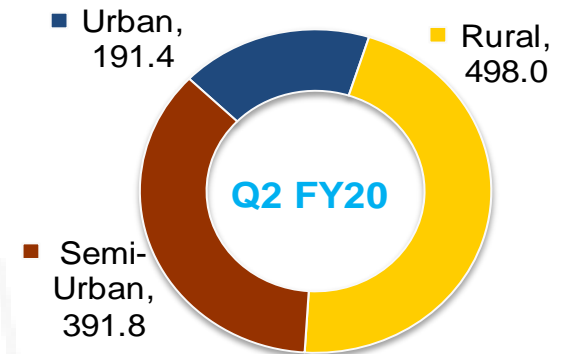


AUM (Rs in bn)

Total AUM Rs 1,133.5 bn



Total AUM Rs 1,081.2 bn



Urban branches represents places where population in more than 10 Lakh
 Semi-urban branches represents places where population in less between 1 Lakh to 10 Lakh
 Rural branches represents places where population in less than 1 Lakh

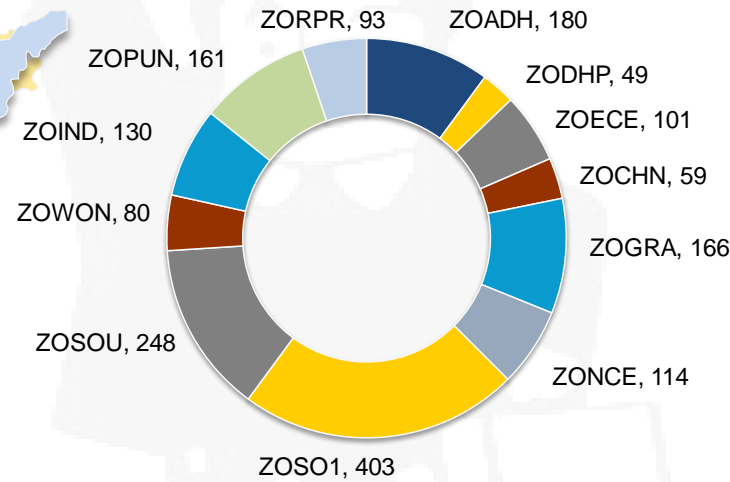
Provision Analysis

As per IND AS

Particulars (Rs. mn)	Q2 FY20	Q1 FY21	Q2 FY21	YoY (%)	QoQ (%)	H1 FY20	H1 FY21	YoY (%)	FY20	Q2 FY21 as per Supreme court order
Gross Stage 3	93,965.6	89,307.5	82,171.2	-12.55%	-7.99%	93,965.6	82,171.2	-12.55%	91,797.1	72,656.1
ECL provision-Stage 3	30,165.4	34,429.1	32,630.7	8.17%	-5.22%	30,165.4	32,630.7	8.17%	31,886.5	32,630.7
Net Stage 3	63,800.2	54,878.4	49,540.5	-22.35%	-9.73%	63,800.2	49,540.5	-22.35%	59,910.6	40,025.3
Gross Stage 3 (%)	8.80%	7.98%	7.26%	-17.44%	-9.02%	8.80%	7.26%	-17.44%	8.36%	6.42%
Net Stage 3 (%)	6.15%	5.06%	4.51%	-26.64%	-10.91%	6.15%	4.51%	-26.64%	5.62%	3.64%
Coverage Ratio (%) Stage 3	32.10%	38.55%	39.71%	23.70%	3.01%	32.10%	39.71%	23.70%	34.74%	44.91%
Gross Stage 1 & 2	974,057.2	1,029,274.7	1,049,026.2	7.70%	1.92%	974,057.2	1,049,026.2	7.70%	1,006,319.5	1,058,541.4
ECL provision-Stage 1 & 2	27,664.6	38,412.4	41,776.6	51.01%	8.76%	27,664.6	41,776.6	51.01%	31,433.6	41,776.6
Net Stage 1 & 2	946,392.6	990,862.3	1,007,249.6	6.43%	1.65%	946,392.6	1,007,249.6	6.43%	974,885.9	1,016,764.8
ECL provision (%) Stage 1 & 2	2.84%	3.73%	3.98%	40.22%	6.71%	2.84%	3.98%	40.22%	3.12%	3.95%

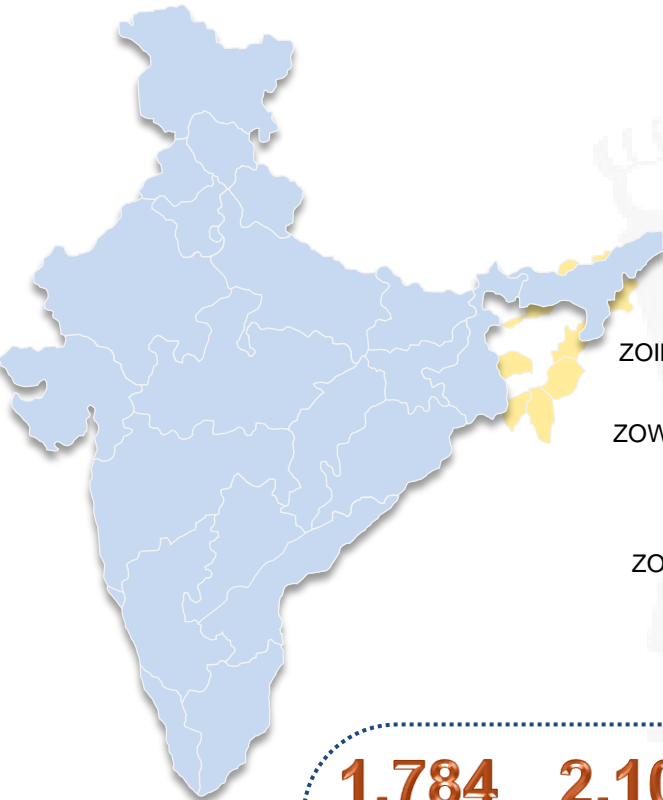
Well-entrenched Pan India Network

Zonal Split of Branches



ABBREVIATIONS

Zone	Zone Name
ZOADH	HYDERABAD ZONE
ZODHP	DELHI ZONE
ZOECE	RANCHI ZONE
ZOCHN	CHANDIGARH ZONE
ZOGRA	AHMEDABAD ZONE
ZONCE	LUCKNOW ZONE
ZOSO1	CHENNAI ZONE
ZOSOU	BANGALORE ZONE
ZOWON	KOLKATA ZONE
ZOIND	INDORE ZONE
ZOPUN	PUNE ZONE
ZORPR	RAIPUR ZONE



Branch Network

1,784

Branch Offices

2.10mn

Customers

25,893

Employees

20,291

Business Team

500

Private Financiers

801

Rural Centres

P&L Statement

Particulars (Rs. mn)	Q2 FY20	Q1 FY21	Q2 FY21	YoY (%)	QoQ (%)	H1 FY20	H1 FY21	YoY (%)	FY20
Interest income	41,322.2	41,278.9	43,237.5	4.64%	4.74%	81,476.7	84,516.4	3.73%	164,781.8
Interest expended	20,761.1	22,848.2	23,018.9	10.88%	0.75%	41,158.4	45,867.1	11.44%	83,703.3
Net interest income	20,561.1	18,430.7	20,218.6	-1.67%	9.70%	40,318.3	38,649.3	-4.14%	81,078.5
Other Operating Income	-	-	-	-	-	-	-	-	-58.8
Operating income	20,561.1	18,430.7	20,218.6	-1.67%	9.70%	40,318.3	38,649.3	-4.14%	81,019.7
Operating expenditure	4,920.4	3,636.1	4,680.9	-4.87%	28.73%	9,388.9	8,317.0	-11.42%	19,679.2
Core operating profit *	15,640.7	14,794.6	15,537.7	-0.66%	5.02%	30,929.4	30,332.3	-1.93%	61,340.5
Other income	234.5	157.1	221.1	-5.71%	40.74%	373.4	378.2	1.29%	995.0
Operating profit	15,875.2	14,951.7	15,758.8	-0.73%	5.40%	31,302.8	30,710.5	-1.89%	62,335.5
Loan Losses & Provisions	6,606.5	10,645.9	6,554.6	-0.79%	-38.43%	12,218.3	17,200.5	40.78%	27,948.8
Profit before tax	9,268.7	4,305.8	9,204.2	-0.70%	113.76%	19,084.5	13,510.0	-29.21%	34,386.7
Tax Expense	1,618.2	1,105.2	2,358.6	45.75%	113.41%	5,091.5	3,463.8	-31.97%	9,368.3
Profit after tax	7,650.5	3,200.6	6,845.6	-10.52%	113.88%	13,993.0	10,046.2	-28.21%	25,018.4
Other comprehensive Income (Net)	-14.2	-1,914.5	210.0	-1578.87%	-110.97%	-44.3	-1,704.5	3747.63%	-47.4
Total Comprehensive Income	7,636.3	1,286.1	7,055.6	-7.60%	448.60%	13,948.7	8,341.7	-40.20%	24,971.0
EPS (Rs)	32.86	12.99	27.79	-15.43%	113.93%	60.09	40.78	-32.14%	107.44
Tier I CRAR %	16.31%	18.34%	20.12%	23.36%	9.71%	16.31%	20.12%	23.36%	18.13%
Tier II CRAR %	4.04%	3.59%	3.32%	-17.81%	-7.51%	4.04%	3.32%	-17.81%	3.86%
Total CRAR %	20.35%	21.93%	23.44%	15.19%	6.89%	20.35%	23.44%	15.19%	21.99%
Book Value (Rs)	751.03	799.26	802.66	6.88%	0.43%	751.03	802.66	6.88%	793.59

*Before Provisions & Contingencies

Balance Sheet

Particulars (Rs. mn)	Sep-19	Jun-20	Sep-20	YoY (%)	QoQ (%)	Mar-20
I. ASSETS						
Financial Assets						
Cash and cash equivalents	7,564.7	32,865.8	29,250.8	286.67%	-11.00%	30,889.9
Bank Balance other than above	38,038.2	39,932.7	63,006.2	65.64%	57.78%	42,259.3
Derivative financial instruments	1,718.4	5,177.7	2,431.9	41.52%	-53.03%	7,587.3
Receivables						
(I) Trade Receivables	116.2	48.0	61.1	-47.42%	27.29%	105.0
(II) Other Receivables	29.9	18.5	810.2	2609.70%	4279.46%	56.4
Loans	1,006,913.7	1,034,011.6	1,043,394.5	3.62%	0.91%	1,022,316.3
Investments	27,573.8	28,328.8	29,762.7	7.94%	5.06%	27,984.8
Other-financial assets	348.7	380.0	378.4	8.52%	-0.42%	387.0
Non Financial assets						
Current tax assets (net)	3,815.6	2,491.0	2,491.0	-34.72%	0.00%	2,491.0
Deferred tax assets (net)	311.3	1,452.7	1,291.1	314.74%	-11.12%	625.0
Investment Property	20.5	20.2	20.1	-1.95%	-0.50%	20.3
Property, plant and equipment	1,459.6	1,403.8	1,323.5	-9.32%	-5.72%	1,498.8
Right-of-use assets	3,461.2	3,131.8	3,028.3	-12.51%	-3.30%	3,342.9
Other Intangible assets	26.7	24.2	23.0	-13.86%	-4.96%	26.7
Other non-financial assets	1,553.3	1,839.8	1,955.4	25.89%	6.28%	1,695.7
Total	1,092,951.8	1,151,126.6	1,179,228.2	7.89%	2.44%	1,141,286.4

Balance Sheet (Continued)

Particulars (Rs. mn)	Sep-19	Mar-20	Sep-20	YoY (%)	QoQ (%)	Mar-20
II. Liabilities and Equity						
Financial Liabilities						
Derivative financial instruments	225.0	-	-	-100.00%	-	-
Payables	1,871.7	1,129.8	1,244.4	-33.51%	10.14%	1,449.7
Debt Securities	310,771.1	338,829.9	325,170.8	4.63%	-4.03%	342,669.6
Borrowings (other than debt securities)	419,483.1	444,360.6	457,796.9	9.13%	3.02%	424,746.0
Deposits	114,504.5	120,565.4	129,167.1	12.81%	7.13%	119,601.2
Subordinated Liabilities	61,174.9	48,824.9	46,871.1	-23.38%	-4.00%	56,700.7
Other financial liabilities	8,118.9	9,244.5	9,130.2	12.46%	-1.24%	9,123.2
Lease liabilities	3,640.6	3,454.5	3,405.1	-6.47%	-1.43%	3,628.1
Non-financial Liabilities						
Current tax liabilities (net)	1,024.8	1,536.5	1,525.4	48.85%	-0.72%	1,020.2
Provisions	1,411.8	1,543.8	1,490.3	5.56%	-3.47%	1,463.3
Other non-financial liabilities	328.6	299.0	303.4	-7.67%	1.47%	832.8
Equity						
Equity share capital	2,268.8	2,268.8	2,530.6	11.54%	11.54%	2,268.8
Other equity	168,128.0	179,068.9	200,592.9	19.31%	12.02%	177,782.8
Total	1,092,951.8	1,151,126.6	1,179,228.2	7.89%	2.44%	1,141,286.4

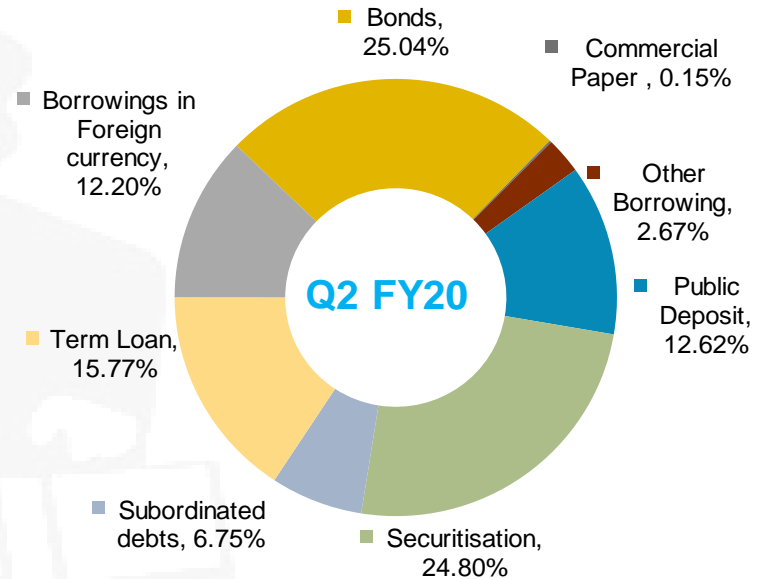
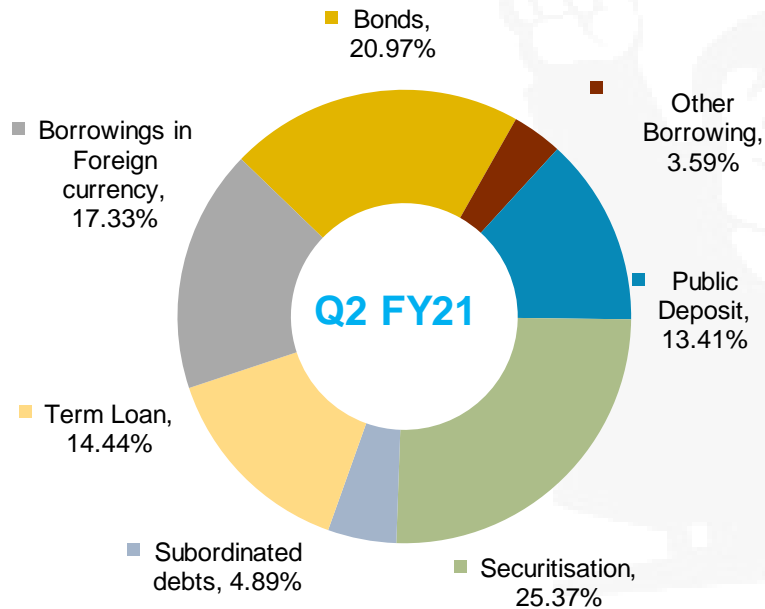
Key Metrics – Q2 FY21

P&L Metrics (Rs. mn)	Q2 FY20	Q1 FY21	Q2 FY21	YoY (%)	QoQ (%)	H1 FY20	H1 FY21	YoY (%)	FY20
Interest Income	41,322.2	41,278.9	43,237.5	4.64%	4.74%	81,476.7	84,516.4	3.73%	164,781.8
Less: Interest Expenses	20,761.1	22,848.2	23,018.9	10.88%	0.75%	41,158.4	45,867.1	11.44%	83,703.3
Net Interest Income	20,561.1	18,430.7	20,218.6	-1.67%	9.70%	40,318.3	38,649.3	-4.14%	81,078.5
Other Operating Income & Other Income	234.5	157.1	221.1	-5.71%	40.74%	373.4	378.2	1.29%	936.2
Profit After Tax	7,650.5	3,200.6	6,845.6	-10.52%	113.88%	13,993.0	10,046.2	-28.21%	25,018.4
EPS (Rs.)	32.86	12.99	27.79	-15.43%	113.93%	60.09	40.78	-32.14%	107.44
Cost to income Ratio (%)	23.13%	18.69%	21.70%	-6.21%	16.09%	22.48%	20.27%	-9.85%	23.32%
NIM (on AUM)	7.26%	6.42%	6.66%	-8.23%	3.67%	7.23%	6.55%	-9.52%	7.16%
Balance Sheet Metrics (Rs. mn)	Q2 FY20	Q1 FY21	Q2 FY21	YoY (%)	QoQ (%)	H1 FY20	H1 FY21	YoY (%)	FY20
Networth	170,120.4	181,061.3	202,847.1	19.24%	12.03%	170,120.4	202,847.1	19.24%	179,775.2
Book Value (Rs.)	751.03	799.26	802.66	6.88%	0.43%	751.03	802.66	6.88%	793.59
Interest Coverage (x)	2.00	1.81	1.89	-5.50%	4.42%	1.99	1.85	-7.04%	1.98
ROA (%)	2.67%	1.06%	2.22%	-17.09%	109.63%	2.47%	1.64%	-33.40%	2.17%
ROE (%)	18.37%	7.09%	14.24%	-22.46%	101.05%	17.11%	10.78%	-37.02%	14.71%
CRAR (%)	20.35%	21.93%	23.44%	15.19%	6.89%	20.35%	23.44%	15.19%	21.99%

Borrowing Profile as on September 30, 2020 vs September 30, 2019

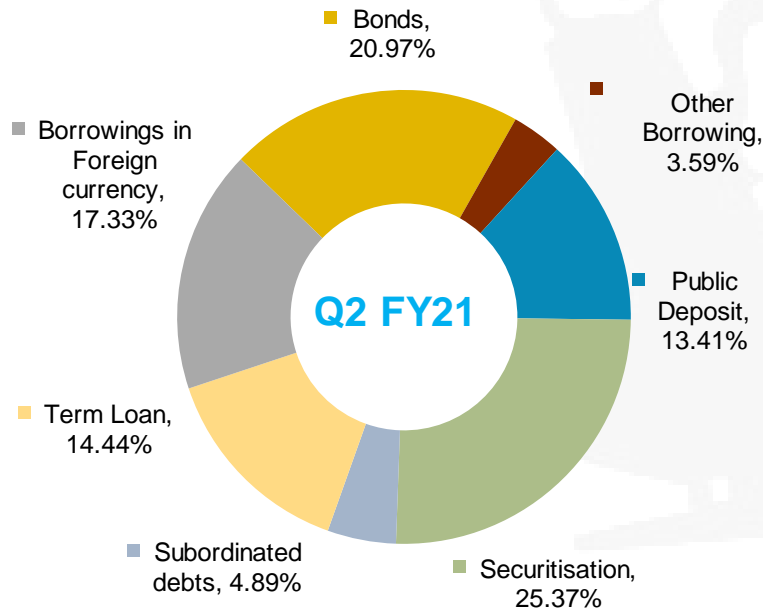
Rs 959.01 bn

Rs 905.93 bn

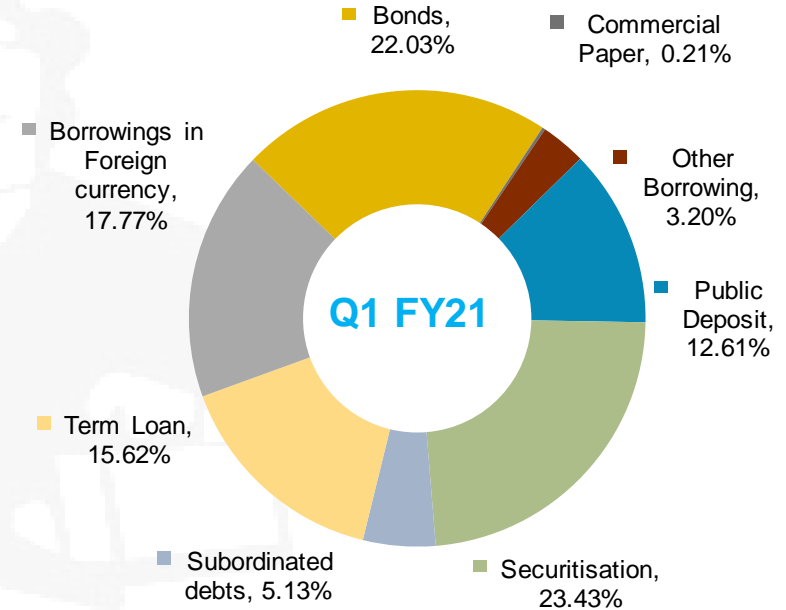


Borrowing Profile as on September 30, 2020 vs June 30, 2020

Rs 959.01 bn



Rs 952.58 bn

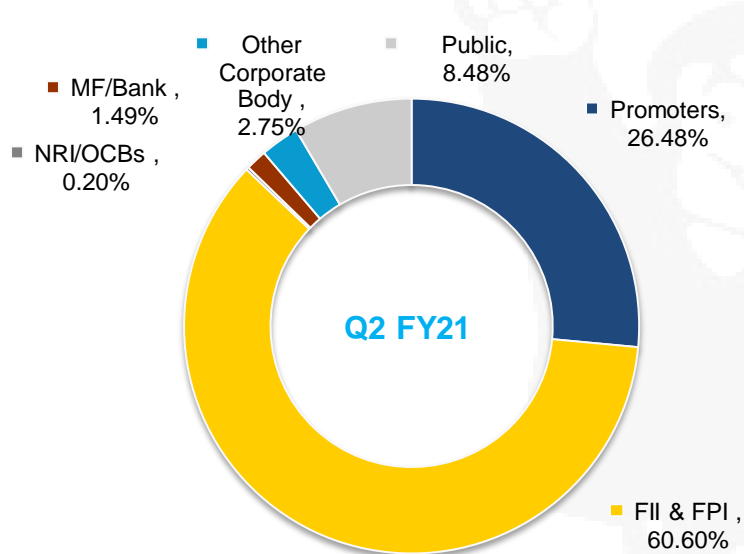


ALM statement on September 30, 2020

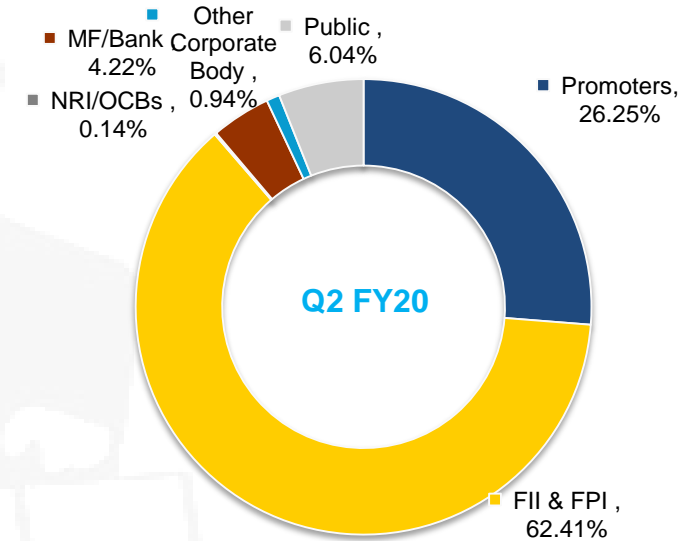
Particulars (Rs. Bn)	One month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 to 5 years	Over 5 years	Total
Total Outflows	64.41	28.13	24.21	85.01	183.83	444.93	113.00	259.10	1,202.62
Total Inflows	94.82	35.25	34.03	105.21	189.77	502.42	169.79	49.70	1,180.99
Mismatch	30.41	7.12	9.82	20.20	5.94	57.49	56.79	(209.40)	(21.63)
Cumulative mismatch	30.41	37.53	47.35	67.55	73.49	130.98	187.77	(21.63)	

Shareholding Pattern as on September 30, 2020 vs September 30, 2019

No. of shares outstanding: 253.06 mn



No. of shares outstanding: 226.88 mn



Has Attracted Strong Interest from Quality Investors

- * Consistent track record and high growth potential has attracted reputed institutional and private equity investors to infuse growth capital
- * Last two fund raising :
 1. On August 06, 2020, allotted 26.179 mn equity shares of face value of Rs. 10/- each (“Rights Equity Shares”) aggregating to Rs. 14.92 bn to the eligible equity shareholders for cash at a price of Rs. 570/- per Rights Equity Share (including a premium of Rs. 560/- per rights equity share) in the ratio of 3 rights equity shares for every 26 equity shares held by the eligible equity shareholders on the record date i.e. July 10, 2020.
 2. On January 28, 2010, allotted 11.658 mn equity shares at Rs. 500.80 per equity share to Qualified Institutional Buyers (QIB) for an aggregate sum of Rs. 5.84 bn to 45 marquee global as well as domestic funds and insurers, which included 22 existing investors and the rest, new investors.

Key Shareholders	Current Shareholding (Mn Shares)	%
Shriram Capital Limited	66.96	26.46
Fidelity Investment Trust Fidelity Series Emerging Markets	12.96	5.12
Sanlam Life Insurance Limited	7.54	2.98
Government Pension Fund Global	4.78	1.89
Wishbone Fund, Ltd.	4.38	1.73
T. Rowe Price International Growth and Income Fund	4.36	1.72
Life Insurance Corporation of India	4.24	1.68
T. Rowe Price New Asia Fund	3.37	1.33
Composite Capital Master Fund LP	3.16	1.25
Vanguard Total International Stock Index Fund	3.00	1.19
Public & Others	138.32	54.65
Total	253.06	100.00

**For any Investor Relations
queries please contact**

Sanjay K. Mundra
Shriram Transport Finance Co. Ltd
Email: smundra@stfc.in
Tel. No. +91-22-4095 9507

About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is one of the largest asset financing NBFs in India with Assets on Balance sheet of Rs. 113,345.9 crores. The company is a leader in organized financing of pre-owned trucks with strategic presence in 5-10 year old trucks. It has a pan-India presence with a network of 1,784 branches, and employs 25,893 employees including 20,291 Business team. The company has built a strong customer base of approx. 2.10 mn. Over the past 40 years, it has developed strong competencies in the areas of loan origination, valuation of pre-owned trucks and collection. It has a vertically integrated business model and offers a number of products which include: Pre-owned CV financing, New CV financing and other loans like accidental repair loans, tyre loans and working capital finance, etc. For more information please visit www.stfc.in

Forward Looking Statement

Certain statements in this document with words or phrases such as “will”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company’s filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.



A WINNING RELATIONSHIP

Thank You