



# Shriram Transport Finance Company Ltd

Q1FY 22 Investor Update

July 30, 2021



# BUSINESS UPDATE

- \* The collections for the months of April 2021, May 2021 and June 2021 were 92 %, 87% and 94% of the Demand respectively.
- \* The Company invoked resolution plan to relieve Covid 2.0 pandemic related stress to eligible Borrowers worth Rs. 14,341.40 mn, out of which as on June 30, 2021 the Company had restructured loans worth Rs. 3,425.3 mn.
- \* The liquidity buffer and SLR investments was Rs. 170.51 bn and Rs. 23.42 bn respectively.

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

<b>Particulars (Rs. mn)</b>	<b>FY20</b>	<b>FY21</b>	<b>Q1 FY22</b>	<b>Cumulative provision till June 30 2021</b>
COVID – 19 provision	9,096.40	16,818.40	2,610.20	28,525.00

The additional ECL provision on account of COVID – 19 is based on the Company's historical experience, collection efficiencies till date, internal assessment on the impacted segments 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 – Q1 FY22 vs Q1 FY21

<b>Total Income</b>	<b>12.24%</b> ↑	Q1 FY22	<b>Rs 46,515.0 mn</b>
		Q1 FY21	Rs 41,441.7 mn
<b>Net Interest Income</b>	<b>14.38%</b> ↑	Q1 FY22	<b>Rs 21,074.5 mn</b>
		Q1 FY21	Rs 18,425.4 mn
* including Direct assignment Income Rs. 1,051.3 Mn (Q1 FY21 Rs. 31.2 Mn)			
<b>PAT</b>	<b>46.90%</b> ↓	Q1 FY22	<b>Rs 1,699.4 mn</b>
		Q1 FY21	Rs 3,200.6 mn
<b>EPS</b>	<b>48.88%</b> ↓	Q1 FY22	<b>Rs 6.64</b>
		Q1 FY21	Rs 12.99

\* Cost to income ratio at 19.11 % in Q1 FY22 as compared to 18.67 % in Q1 FY21

# Performance Highlights – Q1 FY22 vs Q1 FY21

<b>AUM</b>	<b>6.75%</b> ↑	Q1 FY22	<b>Rs 1,193,013.7 mn</b>
		Q1 FY21	Rs 1,117,563.7 mn
<b>Gross Stage 3 assets</b>	<b>8.15%</b> ↑	Q1 FY22	<b>Rs 96,584.2 mn</b>
		Q1 FY21	Rs 89,307.5 mn
<b>Net Stage 3 assets</b>	<b>1.72%</b> ↓	Q1 FY22	<b>Rs 53,935.4 mn</b>
		Q1 FY21	Rs 54,878.4 mn
<b>Book Value</b>	<b>10.36%</b> ↑	Q1 FY22	<b>Rs 882.09</b>
		Q1 FY21	Rs 799.26

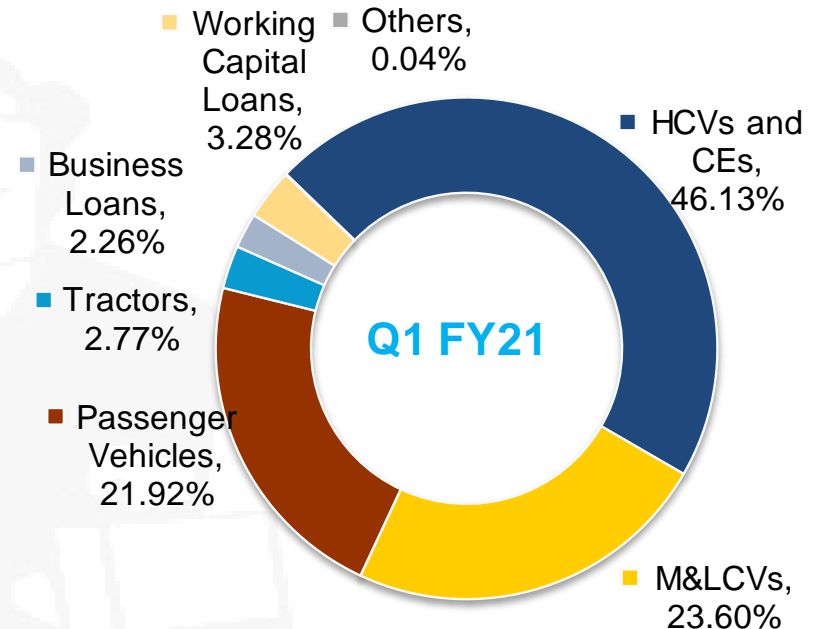
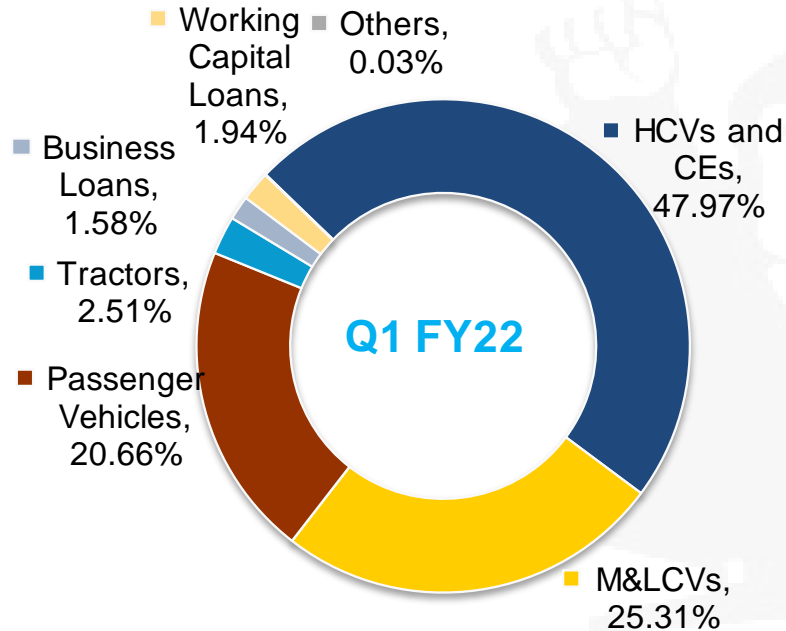
\* CRAR at 23.27% as of Q1 FY22 compared to 21.93% as of Q1 FY21.

# AUM Break-up

Particulars (Rs. mn)	Q1 FY21	Q4 FY21	Q1 FY22	YoY (%)	QoQ (%)	FY21
<b>Loan Portfolio</b>						
- On Books						
Balance sheet assets	8,76,987.8	9,27,102.1	9,69,732.9	10.58%	4.60%	9,27,102.1
Securitised assets	2,28,830.4	2,34,813.9	2,11,274.1	-7.67%	-10.02%	2,34,813.9
<b>Total On books</b>	<b>11,05,818.2</b>	<b>11,61,916.0</b>	<b>11,81,007.0</b>	<b>6.80%</b>	<b>1.64%</b>	<b>11,61,916.0</b>
- Off Books*	11,745.5	10,512.3	12,006.7	2.22%	14.22%	10,512.3
<b>Total AUM</b>	<b>11,17,563.7</b>	<b>11,72,428.3</b>	<b>11,93,013.7</b>	<b>6.75%</b>	<b>1.76%</b>	<b>11,72,428.3</b>
- New	96,561.0	78,553.4	71,444.1	-26.01%	-9.05%	78,553.4
- Used	9,58,640.0	10,45,733.3	10,79,123.2	12.57%	3.19%	10,45,733.3
- Business Loans	25,217.3	20,381.6	18,844.4	-25.27%	-7.54%	20,381.6
- Working capital loans	36,656.9	27,254.5	23,102.0	-36.98%	-15.24%	27,254.5
- Others	488.5	505.5	500.0	2.35%	-1.09%	505.5
<b>Total AUM</b>	<b>11,17,563.7</b>	<b>11,72,428.3</b>	<b>11,93,013.7</b>	<b>6.75%</b>	<b>1.76%</b>	<b>11,72,428.3</b>

\*Off Books pertains to Direct assignment portfolio

# Segment-wise Break up

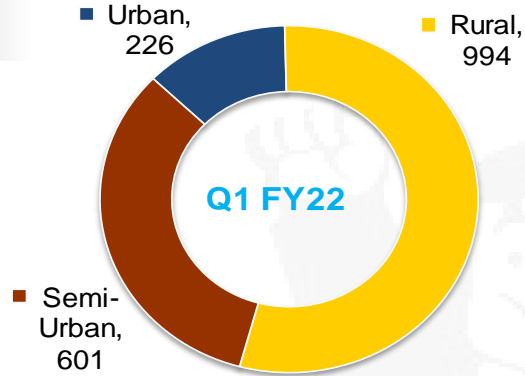




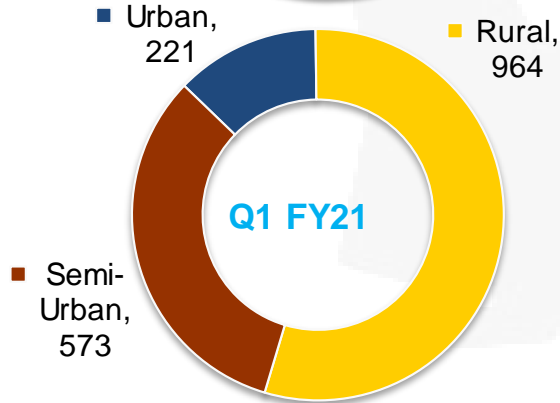
# Branch & AUM distribution – Q1 FY22 vs Q1 FY21

## Branch (Nos)

Total Branch 1,821



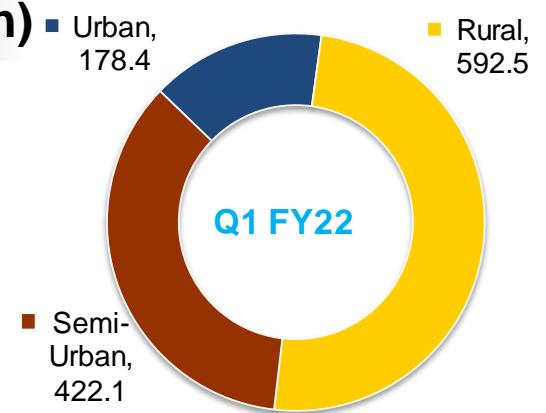
Total Branch 1,758



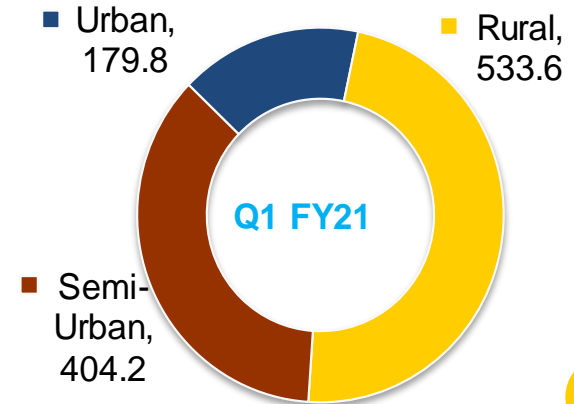
Urban branches represents places where population in more than 10 Lakh  
Semi-urban branches represents places where population in between 1 Lakh to 10 Lakh  
Rural branches represents places where population in less than 1 Lakh

## AUM (Rs in bn)

Total AUM  
Rs 1,193.0 bn

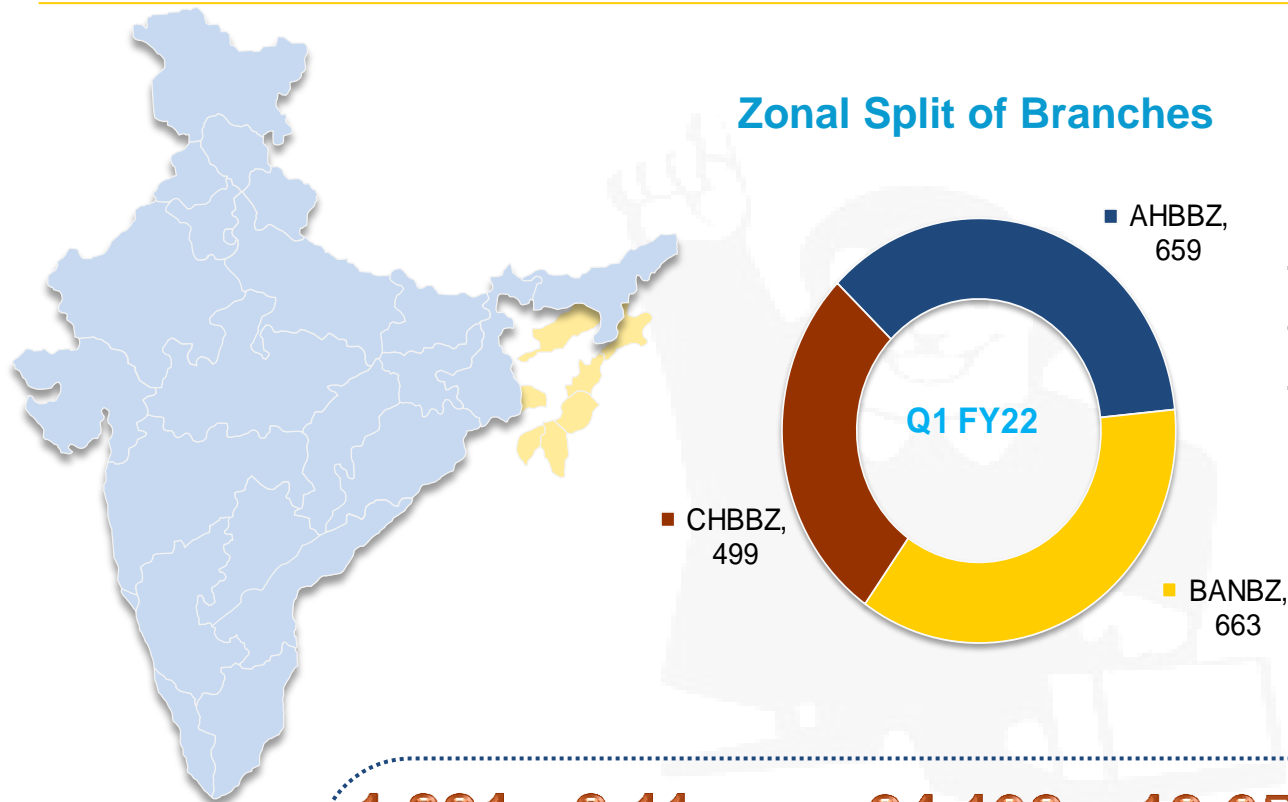


Total AUM Rs  
1,117.6 bn



# Well-entrenched Pan India Network

## Zonal Split of Branches



## ABBREVIATIONS

Zone	Zone Name	Branches
AHBBZ	Ahmedabad Business Zone	659
BANBZ	Bangalore Business Zone	663
CHBBZ	Chennai Business Zone	499

**1,821**

Branch  
Offices

**2.11mn**

Customers

**24,192**

Employees

**18,650**

Business Team

**500**

Private  
Financiers

**809**

Rural  
Centres

Branch Network

# Provision Analysis

Particulars (Rs. mn)	Q1 FY21	Q4 FY21	Q1 FY22	YoY (%)	QoQ (%)	FY21
Gross Stage 3	89,307.5	82,952.1	96,584.2	8.15%	16.43%	82,952.1
ECL provision-Stage 3	34,429.1	34,885.3	42,648.8	23.87%	22.25%	34,885.3
Net Stage 3	54,878.4	48,066.8	53,935.4	-1.72%	12.21%	48,066.8
Gross Stage 3 (%)	7.98%	7.06%	8.18%	2.43%	15.84%	7.06%
Net Stage 3 (%)	5.06%	4.22%	4.74%	-6.40%	12.38%	4.22%
Coverage Ratio (%) Stage 3	38.55%	42.05%	44.16%	14.54%	5.00%	42.05%
Gross Stage 1	9,12,136.7	9,52,169.3	9,12,793.9	0.07%	-4.14%	9,52,169.3
ECL provision-Stage 1	27,374.1	30,950.5	30,021.5	9.67%	-3.00%	30,950.5
Net Stage 1	8,84,762.7	9,21,218.8	8,82,772.4	-0.22%	-4.17%	9,21,218.8
Gross Stage 1 (%)	81.54%	81.04%	77.29%	-5.22%	-4.63%	81.04%
ECL provision (%) Stage 1	3.00%	3.25%	3.29%	9.59%	1.18%	3.25%
Gross Stage 2	1,17,138.0	1,39,831.2	1,71,628.9	46.52%	22.74%	1,39,831.2
ECL provision-Stage 2	11,038.3	13,560.8	17,107.5	54.98%	26.15%	13,560.8
Net Stage 2	1,06,099.7	1,26,270.4	1,54,521.4	45.64%	22.37%	1,26,270.4
Gross Stage 2 (%)	10.47%	11.90%	14.53%	38.77%	22.11%	11.90%
ECL provision (%) Stage 2	9.42%	9.70%	9.97%	5.78%	2.78%	9.70%

# P&L Statement

Particulars (Rs. mn)	Q1 FY21	Q4 FY21	Q1 FY22	YoY (%)	QoQ (%)	FY21
Interest income	41,273.6	44,676.4	46,339.3	12.27%	3.72%	1,73,346.6
Interest expended	22,848.2	23,165.2	25,264.8	10.58%	9.06%	91,675.6
Net interest income	18,425.4	21,511.2	21,074.5	14.38%	-2.03%	81,671.0
Other Operating Income	-	-	-	-	-	-
<b>Operating income</b>	<b>18,425.4</b>	<b>21,511.2</b>	<b>21,074.5</b>	<b>14.38%</b>	<b>-2.03%</b>	<b>81,671.0</b>
Operating expenditure	3,630.8	5,182.8	4,493.0	23.75%	-13.31%	18,607.6
<b>Core operating profit *</b>	<b>14,794.6</b>	<b>16,328.4</b>	<b>16,581.5</b>	<b>12.08%</b>	<b>1.55%</b>	<b>63,063.4</b>
Other income	157.1	288.2	161.4	2.74%	-44.00%	900.7
<b>Operating profit</b>	<b>14,951.7</b>	<b>16,616.6</b>	<b>16,742.9</b>	<b>11.98%</b>	<b>0.76%</b>	<b>63,964.1</b>
Loan Losses & Provisions	10,645.9	7,236.4	14,396.0	35.23%	98.94%	31,184.0
<b>Profit before tax</b>	<b>4,305.8</b>	<b>9,380.2</b>	<b>2,346.9</b>	<b>-45.49%</b>	<b>-74.98%</b>	<b>32,780.1</b>
Tax Expense	1,105.2	1,830.9	647.5	-41.41%	-64.63%	7,907.5
<b>Profit after tax</b>	<b>3,200.6</b>	<b>7,549.3</b>	<b>1,699.4</b>	<b>-46.90%</b>	<b>-77.49%</b>	<b>24,872.6</b>
<b>Other comprehensive Income (Net)</b>	<b>-1,914.5</b>	<b>180.3</b>	<b>-119.6</b>	<b>-93.75%</b>	<b>-166.33%</b>	<b>-930.2</b>
<b>Total Comprehensive Income</b>	<b>1,286.1</b>	<b>7,729.6</b>	<b>1,579.8</b>	<b>22.84%</b>	<b>-79.56%</b>	<b>23,942.4</b>
<b>EPS (Rs)</b>	<b>12.99</b>	<b>30.65</b>	<b>6.64</b>	<b>-48.88%</b>	<b>-78.34%</b>	<b>100.97</b>
<b>Tier I CRAR %</b>	<b>18.34%</b>	<b>19.94%</b>	<b>21.05%</b>	<b>14.80%</b>	<b>5.59%</b>	<b>19.94%</b>
<b>Tier II CRAR %</b>	<b>3.59%</b>	<b>2.56%</b>	<b>2.22%</b>	<b>-38.26%</b>	<b>-13.42%</b>	<b>2.56%</b>
<b>Total CRAR %</b>	<b>21.93%</b>	<b>22.50%</b>	<b>23.27%</b>	<b>6.12%</b>	<b>3.43%</b>	<b>22.50%</b>
<b>Book Value (Rs)</b>	<b>799.26</b>	<b>852.30</b>	<b>882.09</b>	<b>10.36%</b>	<b>3.49%</b>	<b>852.30</b>

\*Before Provisions & Contingencies

# Balance Sheet

Particulars (Rs. mn)	Jun-20	Mar-21	Jun-21	YoY (%)	QoQ (%)
<b>I. ASSETS</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	32,865.8	1,10,509.3	1,07,176.7	226.10%	-3.02%
Bank Balance other than above	39,932.7	53,908.9	53,056.6	32.87%	-1.58%
Derivative financial instruments	5,177.7	1,692.5	2,614.7	-49.50%	54.49%
Receivables					
(I) Trade Receivables	48.0	89.2	52.9	10.21%	-40.70%
(II) Other Receivables	18.5	499.0	1,418.0	7564.86%	184.17%
Loans	10,34,011.6	10,83,030.4	10,91,229.3	5.53%	0.76%
Investments	28,328.8	31,978.5	33,524.9	18.34%	4.84%
Other-financial assets	380.0	490.3	468.9	23.39%	-4.36%
<b>Non Financial assets</b>					
Current tax assets (net)	2,491.0	1,717.3	1,717.3	-31.06%	0.00%
Deferred tax assets (net)	1,452.7	6,391.4	8,830.0	507.83%	38.15%
Investment Property	20.2	20.0	19.9	-1.49%	-0.50%
Property, plant and equipment	1,403.8	1,244.4	1,174.2	-16.36%	-5.64%
Right-of-use assets	3,131.8	3,085.1	3,021.0	-3.54%	-2.08%
Other Intangible assets	24.2	23.9	25.8	6.61%	7.95%
Other non-financial assets	1,839.8	2,108.4	2,192.8	19.19%	4.00%
<b>Total</b>	<b>11,51,126.6</b>	<b>12,96,788.6</b>	<b>13,06,523.0</b>	<b>13.50%</b>	<b>0.75%</b>

# Balance Sheet (Continued)

Particulars (Rs. mn)	Jun-20	Mar-21	Jun-21	YoY (%)	QoQ (%)
<b>II. Liabilities and Equity</b>					
<b>Financial Liabilities</b>					
Payables	1,129.8	2,564.2	2,383.6	110.98%	-7.04%
Debt Securities	3,38,829.9	4,00,618.7	4,07,022.7	20.13%	1.60%
Borrowings (other than debt securities)	4,44,360.6	4,52,813.7	4,20,096.1	-5.46%	-7.23%
Deposits	1,20,565.4	1,62,324.1	1,79,446.4	48.84%	10.55%
Subordinated Liabilities	48,824.9	46,207.6	46,604.9	-4.55%	0.86%
Lease liabilities	3,454.5	3,494.9	3,448.0	-0.19%	-1.34%
Other financial liabilities	9,244.5	9,643.5	8,113.4	-12.24%	-15.87%
<b>Non-financial Liabilities</b>					
Current tax liabilities (net)	1,536.5	1,020.2	2,036.3	32.53%	99.60%
Provisions	1,543.8	1,425.4	1,464.5	-5.14%	2.74%
Other non-financial liabilities	299.0	992.6	348.4	16.52%	-64.90%
<b>Equity</b>					
Equity share capital	2,268.8	2,530.6	2,670.5	17.71%	5.53%
Other equity	1,79,068.9	2,13,153.1	2,32,888.2	30.06%	9.26%
<b>Total</b>	<b>11,51,126.6</b>	<b>12,96,788.6</b>	<b>13,06,523.0</b>	<b>13.50%</b>	<b>0.75%</b>

# Key Metrics – Q1 FY22

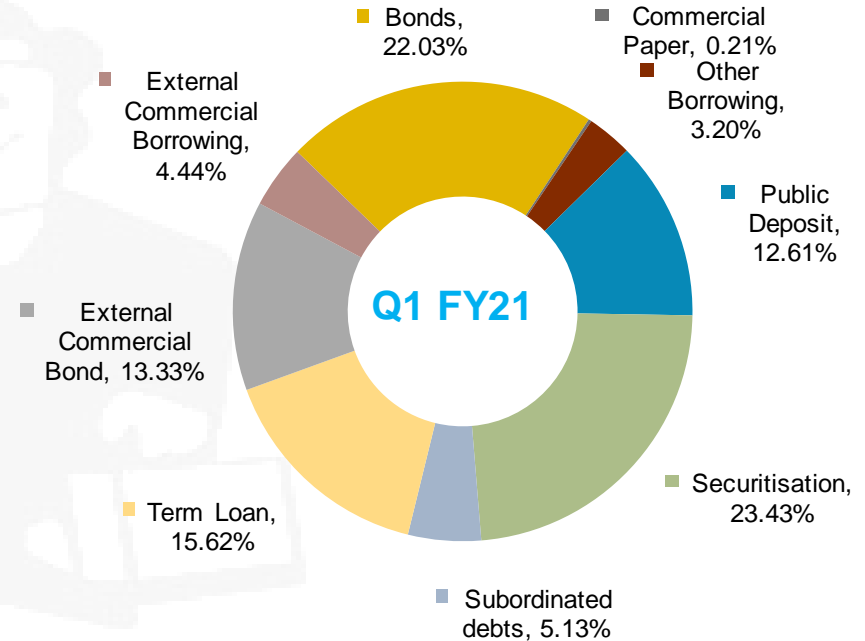
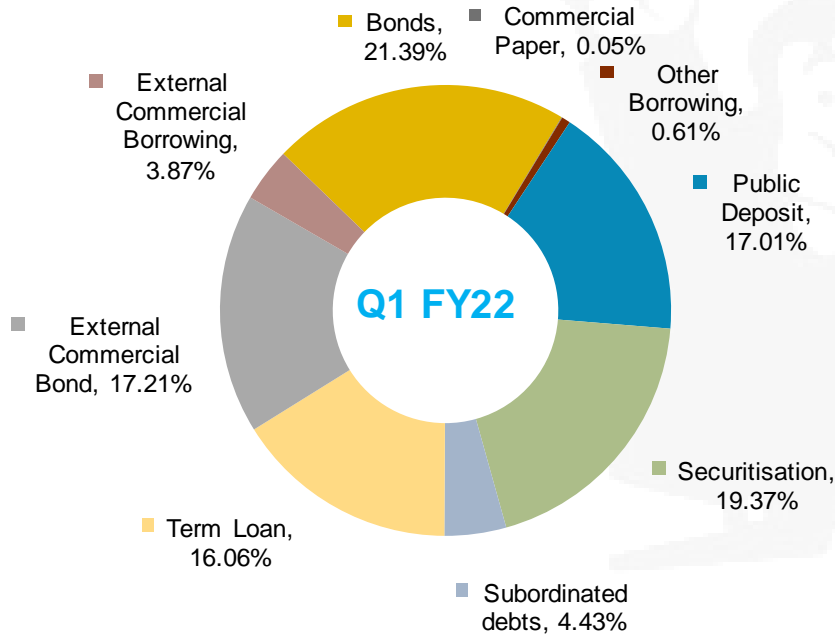
P&L Metrics (Rs. mn)	Q1 FY21	Q4 FY21	Q1 FY22	YoY (%)	QoQ (%)	FY21
Interest Income	41,273.6	44,676.4	46,339.3	12.27%	3.72%	1,73,346.6
Less: Interest Expenses	22,848.2	23,165.2	25,264.8	10.58%	9.06%	91,675.6
<b>Net Interest Income</b>	<b>18,425.4</b>	<b>21,511.2</b>	<b>21,074.5</b>	<b>14.38%</b>	<b>-2.03%</b>	<b>81,671.0</b>
Other Operating Income & Other Income	157.1	288.2	161.4	2.74%	-44.00%	900.7
<b>Profit After Tax</b>	<b>3,200.6</b>	<b>7,549.3</b>	<b>1,699.4</b>	<b>-46.90%</b>	<b>-77.49%</b>	<b>24,872.6</b>
EPS (Rs.)	12.99	30.65	6.64	-48.88%	-78.34%	100.97
Cost to income Ratio (%)	18.67%	21.96%	19.11%	2.37%	-12.99%	21.20%
NIM (on AUM)	6.42%	6.80%	6.38%	-0.66%	-6.12%	6.70%

Balance Sheet Metrics (Rs. mn)	Q1 FY21	Q4 FY21	Q1 FY22	YoY (%)	QoQ (%)	FY21
Networth	1,81,061.3	2,15,407.3	2,35,282.3	29.95%	9.23%	2,15,407.3
Book Value (Rs.)	799.26	852.30	882.09	10.36%	3.49%	852.3
Interest Coverage (x)	1.81	1.94	1.84	1.66%	-5.15%	1.90
ROA (%)	1.06%	2.29%	0.49%	-53.55%	-78.56%	1.98%
ROE (%)	7.09%	14.21%	3.01%	-57.48%	-78.79%	12.57%
CRAR (%)	21.93%	22.50%	23.27%	6.12%	3.43%	22.50%

# Borrowing Profile as on June 30, 2021 vs June 30, 2020

Rs 1,053.17 bn

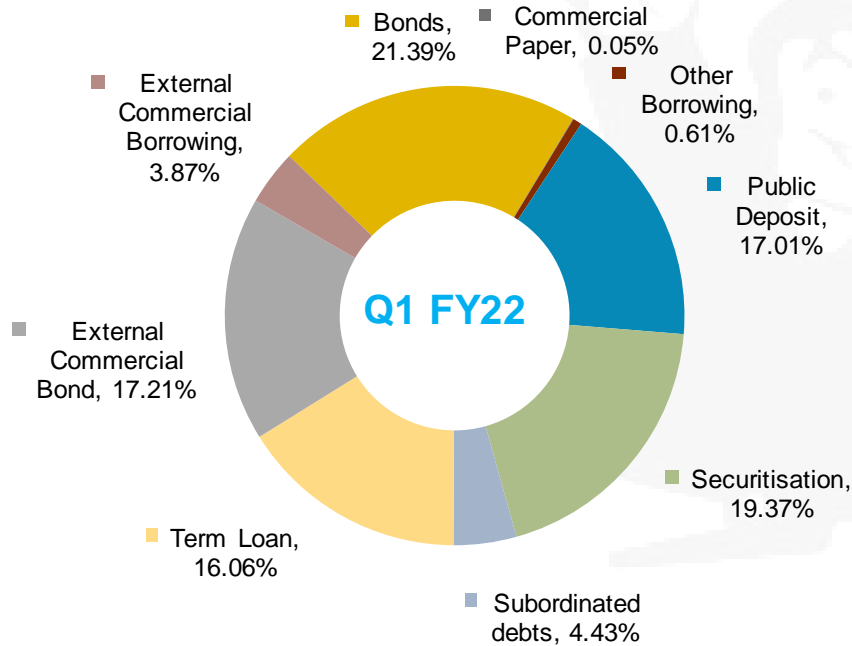
Rs 952.58 bn



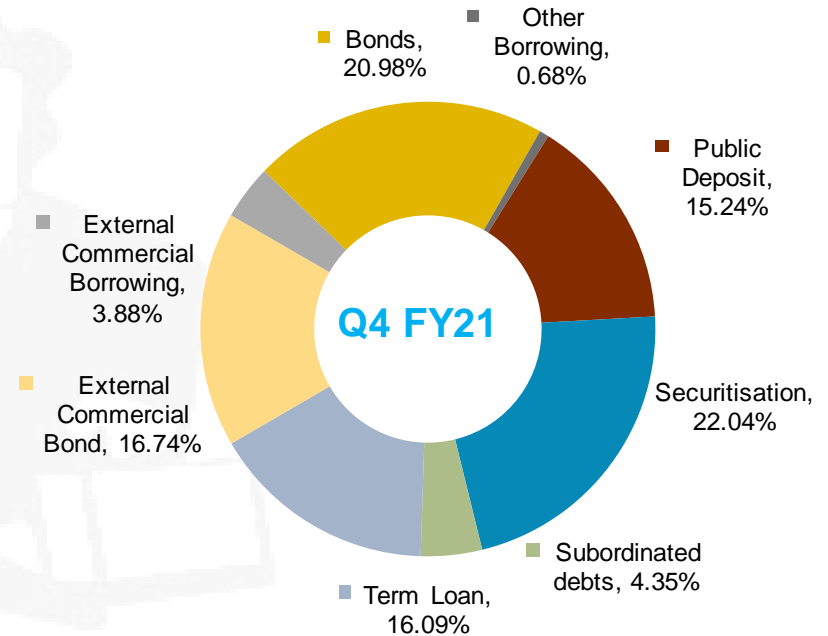


# Borrowing Profile as on June 30, 2021 vs March 31, 2021

Rs 1,053.17 bn



Rs 1,061.96 bn



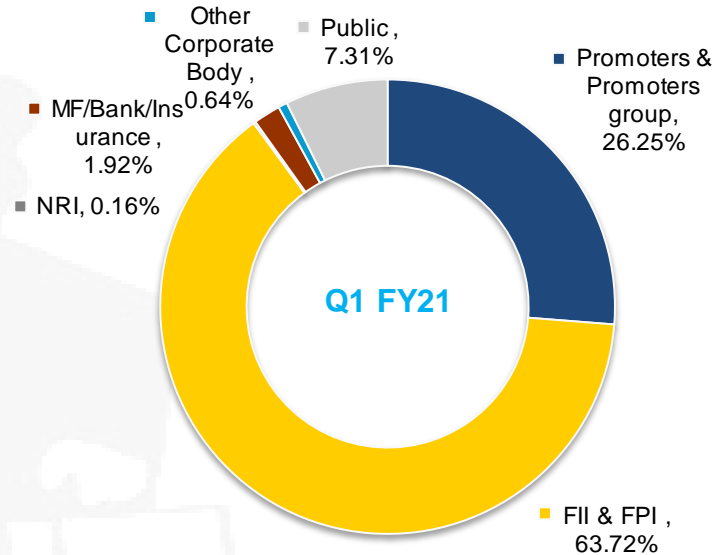
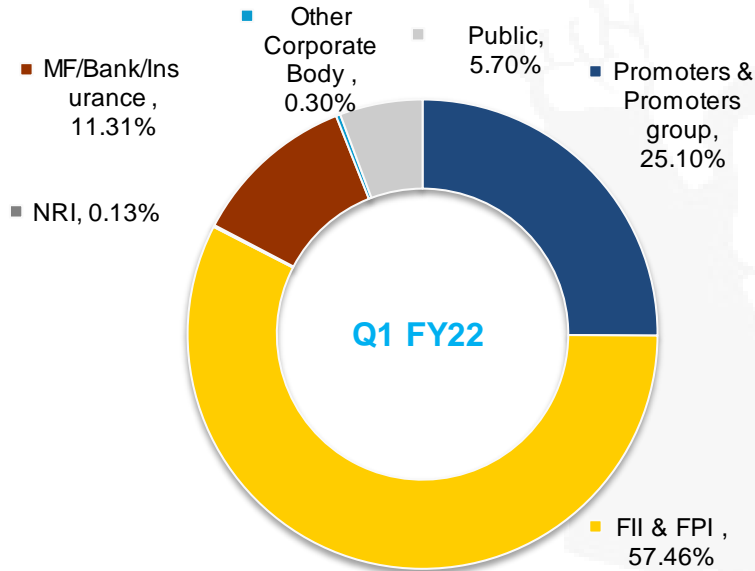
# ALM statement on June 30, 2021

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	72.68	29.15	31.50	89.26	182.12	509.68	98.26	320.20	<b>1,332.85</b>
Total Inflows	171.72	36.77	39.13	102.99	200.20	533.90	163.92	61.88	<b>1,310.52</b>
Mismatch	99.04	7.62	7.63	13.74	18.08	24.22	65.67	(258.32)	<b>(22.32)</b>
Cumulative mismatch	99.04	106.66	114.29	128.03	146.11	170.33	236.00	(22.32)	

# Shareholding Pattern as on June 30, 2021 vs June 30, 2020

No. of shares outstanding: 267.05mn

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 Three fund raising :
  1. On July 8, 2021, allotted 1.736 mn equity shares of face value of Rs. 10/- each aggregating to Rs. 2.5 bn on a preferential basis to Shriram Capital Limited, Promoter of the Company (Preferential Issue) for cash at a price of Rs. 1,440/- per equity Share (including a premium of Rs. 1,430/- per equity share). Further the Company allotted 1.736 mn warrants convertible into equity shares of face value of Rs. 10/- each aggregating to Rs. 2.5 bn on a preferential basis to Shriram Capital Limited, for cash at a price of Rs. 1,440/- per equity share (including a premium of Rs. 1,430/- per equity share) and had received the warrant subscription money of Rs. 0.62 bn, being 25% of the Issue price i.e. Rs. 360/- per Warrant.
  2. On June 12, 2021, allotted 13.986 mn equity shares of face value of Rs. 10/- each aggregating to Rs. 19.99 bn to the eligible Qualified Institutional Buyers (QIB) for cash at a price of Rs. 1,430/- per equity share (including a premium of Rs. 1,420/- per equity share).
  3. 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.

Key Shareholders	Current Shareholding (Mn Shares)	%
Shriram Capital Limited	66.96	25.08
Life Insurance Corporation of India	11.49	4.30
Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	11.03	4.13
Sanlam Life Insurance Limited	7.54	2.82
Government Pension Fund Global	6.20	2.32
J P Morgan Funds	6.06	2.27
Wishbone Fund Ltd.	4.38	1.64
T. Rowe Price International Value Equity Fund	4.29	1.61
HDFC Trustee Company Ltd.	3.90	1.46
T. Rowe Price International Value Equity Trust	3.29	1.23
Public & Others	141.91	53.14
<b>Total</b>	<b>267.05</b>	<b>100.00</b>

**For any Investor Relations  
queries please contact**

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## 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. 119,301 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 1,821 branches, and employs 24,192 employees including 18,650 Business team. The company has built a strong customer base of approx. 2.11 mn. Over the past 42 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](http://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