

A MESSAGE FROM OUR MD'S DESK

Dear Colleagues

Greetings to All.

Hope you and your family are continuing to enjoy good health and happiness. We are at a juncture when the world is opening up after seeing lots of restrictions, uncertainties and challenges. Yet for the positive at heart, there is still hope and opportunity to contribute to the wellness of communities around. With lockdowns easing out in many pockets, we are looking up and are eager to revive the lost momentum.



In fact, we are sure of bouncing back with more success than ever. For us, in our business space, we are seeing a sharp revival in demand for credit. The surge of online enterprises has changed the way people shop, increasing the need to have last mile reach and connectivity. This opens up additional vistas for the customers connected with last-mile supply chain solutions and logistics providers.

We are all geared up to cater to this category of self-starters and owner operator segment. We are in readiness to meet the needs of this growing segment across the nation who are on their toes all the time. Our regular business is showing signs of improvement and is adequately complemented by our tailor-made digital offerings. Which means you are closer to us, from anywhere, anytime.

We are happy to be of help to make sure your journey to progress moves on without bottlenecks. Let's come together and work towards a bright new day dawning ahead of us!

Jai Hind

COMPANY UPDATE

Shriram Transport Finance Company Limited raises Rs. 2000 crores via QIP route.

Shriram Transport Finance Company Limited has successfully raised ~ Rs. 2000 crores via a qualified institutions placement of equity shares. This is the second consecutive successful round of fund raising by STFC, after raising ~ Rs.1500 crores through rights issue in August, 2020. It was the second largest QIP by an NBFC during the pandemic.

The issue witnessed huge response despite headwinds due to the pandemic. The Company had launched its QIP on June 7, 2021 and received 6.3x oversubscription. Though SEBI allows a discount of upto 5% in QIP issue, our issue was successfully priced at Rs. 1,430 per share at a negligible discount to floor price based on strong demand generated from high quality FIIs and DIIs. The issue was finalised and executed within 10 days period. Proceeds from the offering will be used for augmenting capital base

Anchored by marquee investors with largest being long DII and FII investors like HDFC Mutual Fund, ICICI-Prudential Life Insurance, Birla Mutual Fund, Sundaram Mutual Fund, HDFC Life Insurance, Invesco Mutual Fund, Fidelity Management Research, Fidelity Investments. The allocation to the domestic investors and foreign investors was 38% and 62% respectively of the issue size.

It is pertinent to note that prior to this issue the domestic shareholding in STFC was minuscule. Further, the existing FIIs like FMR, FIL, T. Rowe Price, Valiant etc also participated in the issue so that there shareholding does not get diluted.

The Book Running Lead Managers (BRLMs) to the issue were ICICI Securities Limited, J.P. Morgan India Private Limited, Axis Capital Limited, Citigroup Global Markets India Private Limited and HSBC Securities and Capital Markets (India) Private Limited.

Preferential Allotment to Shriram Capital Ltd.

The board has also approved on 7th June, 2021 preferential allotment of Rs. 500 crores, equally split between equity shares and convertible warrants to the Promoter, Shriram Capital Limited at the issue price of Rs. 1,440 per security. EGM for shareholder's approval for the same is scheduled on July 7, 2021. The combined issue of equity shares and warrants would result in the shareholding of SCL in STFC above 26%

INDUSTRY NEWS AND UPDATES



MoRTH Proposes Waiving off Registration And Renewing Charges For Electric Vehicles

In a bid to encourage e-mobility in India, the Ministry of Road Transport and Highways (MoRTH) proposed to exempt battery-operated vehicles from payment of fees for issuing and renewing registration certificates.

[Read more](#)

No need to pay toll if wait time exceeds 10 seconds: Rule explained

In 2018, there were certain videos on the internet that said one need not pay toll tax if they have been waiting behind the yellow line at a booth. This led to several skirmishes with the toll operators (who had no idea such a thing existed) and the drivers. However, now this rule has been enforced.

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Ashok Leyland to roll out first electric LCV by FY22-end under Switch Mobility

Hinduja flagship commercial vehicle major Ashok Leyland is planning to roll out its first electric light commercial vehicle (LCV) by the end of the current financial year. The vehicle will be launched under the banner of Switch Mobility Automotive, a subsidiary recently set up to spearhead the company's EV strategy in India.

[Read more](#)



Government Proposes New Mandatory Norms For Tyres To Improve Fuel Efficiency And Better Braking In Wet Conditions

The Government of India recently issued a notification proposing new mandatory norms for tyres. The new norms will require tyres sold in India to meet a certain benchmark for rolling resistance, wet grip, and rolling sound emission.

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Mahindra to Launch 37 Tractors, 9 SUVs and 14 CVs by 2026

By 2026, Mahindra & Mahindra will introduce 23 new products in the passenger and commercial vehicle markets, along with 37 tractor types. In the following years, Mahindra expects to introduce 23 new products in the automotive sector.

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