



# Shriram Transport Finance Company Ltd

Investor Update – Q1 FY19

July 26, 2018

# Performance Highlights – Q1 FY19 vs Q1 FY18 as per Ind AS

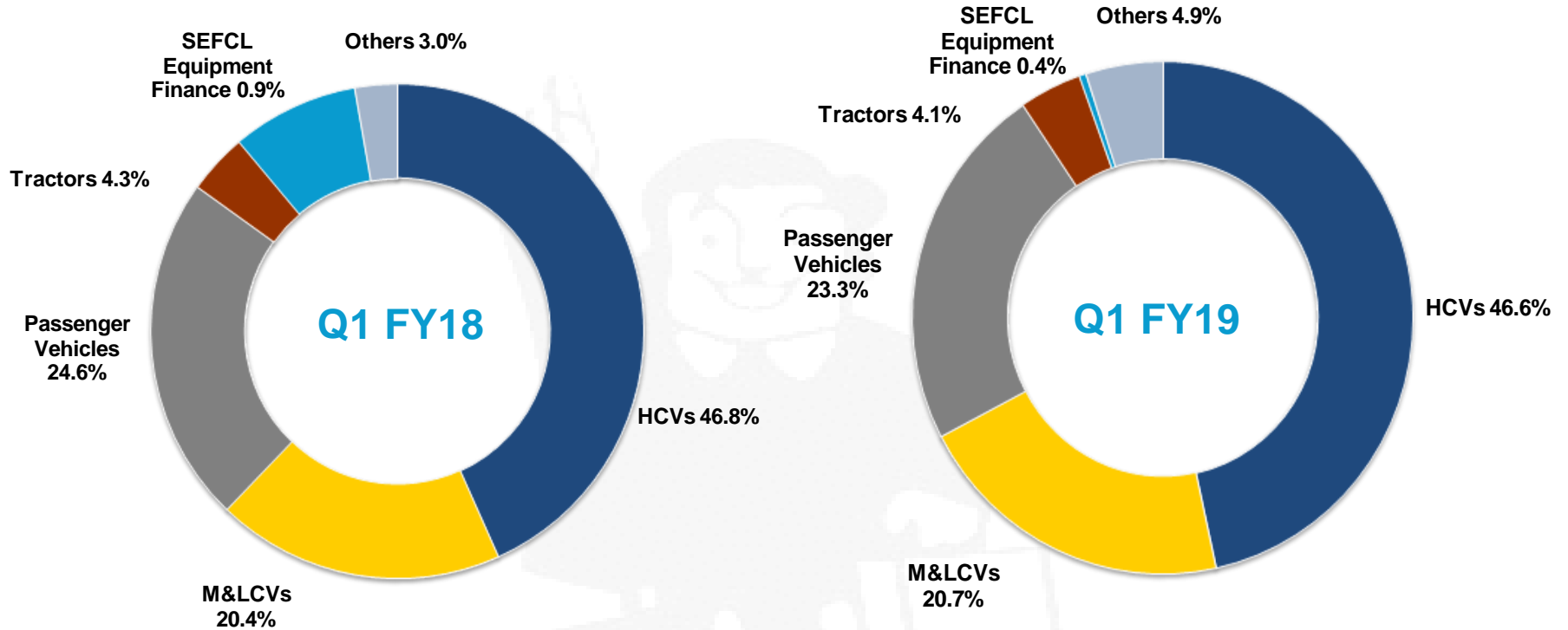
<b>Total Income</b>	<b>19.92%</b> ↑	Q1 FY19	<b>Rs 37,398.5 mn</b>
		Q1 FY18	Rs 31,186.8 mn
<b>Net Interest Income</b>	<b>19.58%</b> ↑	Q1 FY19	<b>Rs 18,403.0 mn</b>
		Q1 FY18	Rs 15,389.5 mn
<b>PAT</b>	<b>24.37%</b> ↑	Q1 FY19	<b>Rs 5,717.2 mn</b>
		Q1 FY18	Rs 4,596.9 mn
<b>EPS</b>	<b>24.37%</b> ↑	Q1 FY19	<b>Rs 25.20</b>
		Q1 FY18	Rs 20.26

\* Employee strength at 24,533 ( including 15,356 field executives) in Q1 FY19 against 20,489 in Q1 FY18

# AUM Break-up

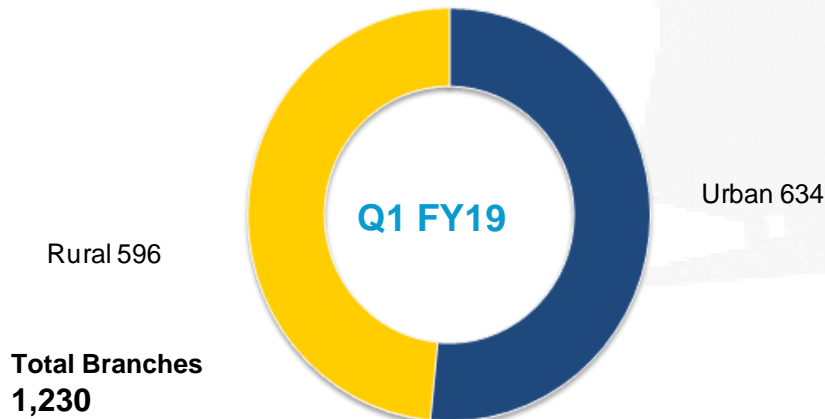
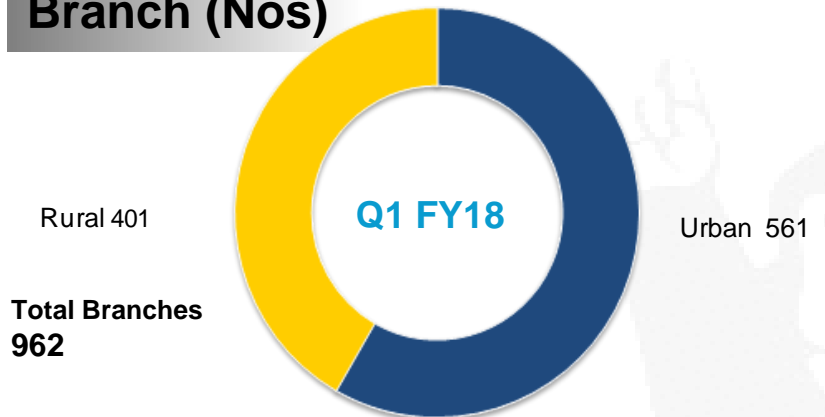
Particulars (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)	FY18
- On Books				
- Loan Portfolio	687,951.1	828,929.8	20.5%	802,028.6
- Securitised Portfolio	138,022.7	180,851.4	31.0%	162,595.1
<b>Total AUM</b>	<b>825,973.8</b>	<b>1,009,781.2</b>	<b>22.3%</b>	<b>964,623.7</b>
- New	81,859.6	121,403.8	48.3%	110,427.7
- Used	719,570.0	839,191.6	16.6%	810,132.8
- Business Loans	11,970.5	29,779.7	148.8%	26,200.9
- Working capital loans	12,239.2	18,949.0	54.8%	17,417.2
- Others	334.5	457.1	36.7%	445.1
<b>Total AUM</b>	<b>825,973.8</b>	<b>1,009,781.2</b>	<b>22.3%</b>	<b>964,623.7</b>

# Segment-wise Break up

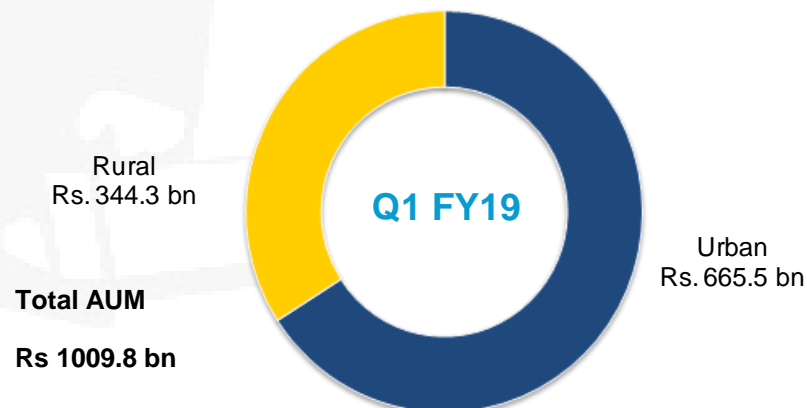
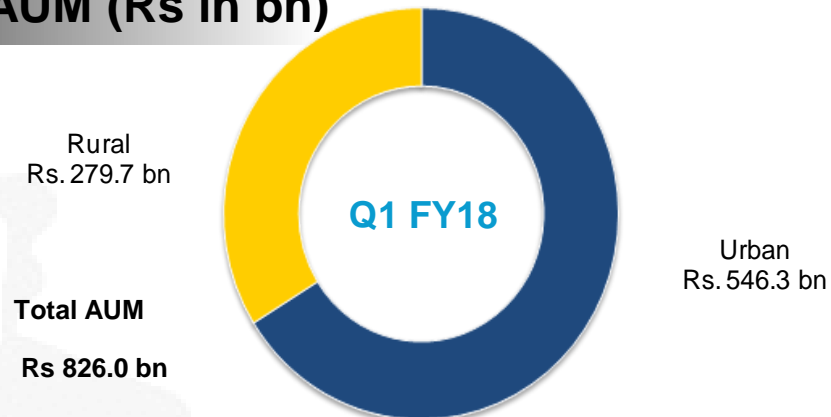


# Branch & AUM distribution – Q1 FY19 vs Q1 FY18

## Branch (Nos)



## AUM (Rs in bn)



# Provision Analysis

## As per IGAAP

Particulars (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)	FY18
Gross NPA	55,490.1	74,585.1	34.41%	73,763.9
Net NPA	16,197.3	21,318.5	31.62%	21,311.4
Gross NPA (%)	8.03%	8.98%	11.83%	9.15%
Net NPA (%)	2.49%	2.74%	10.04%	2.83%
Coverage Ratio (%)	70.81%	71.42%	0.86%	71.11%
Standard Assets provision	2,224.26	3,024.56	35.98%	2,928.42
Standard Assets provision (%)	0.35%	0.40%	14.29%	0.40%

## As per Ind AS

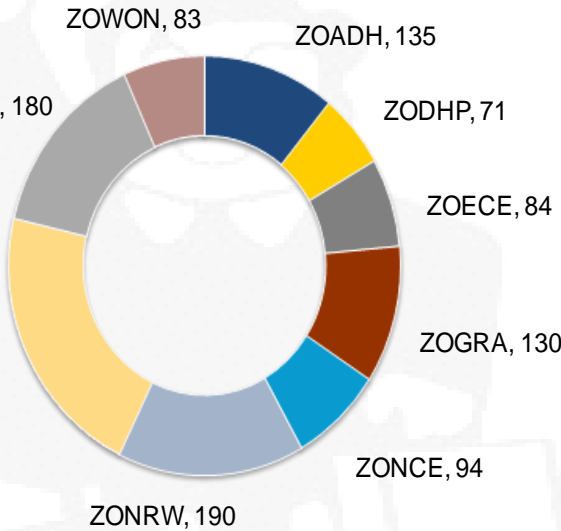
Particulars (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)	FY18
Gross Stage 3	89,722.8	91,573.1	2.06%	90,842.1
ECL provision-Stage 3	33,892.5	33,182.8	-2.09%	32,855.1
Net Stage 3	55,830.4	58,390.4	4.59%	57,987.1
Coverage Ratio (%) Stage 3	37.77%	36.24%	-4.07%	36.17%
Gross Stage 1 & 2	734,828.4	918,750.7	25.03%	876,174.7
ECL provision-Stage 1 & 2	21,475.4	23,403.9	8.98%	23,640.1
Net Stage 1 & 2	713,353.0	895,346.8	25.51%	852,534.6
ECL provision (%) Stage 1 & 2	2.92%	2.55%	-12.84%	2.70%

# Well-entrenched Pan India Network

## Regional Split of Branches

## ABBREVIATIONS

Zone	Zone Name
ZOADH	HYDERABAD ZONE
ZODHP	NORTH II - DELHI ZONE
ZOECE	EAST CENTRAL ZONE
ZOGRA	WEST II - AHMEBABAD ZONE
ZONCE	NORTH I - LUCKNOW ZONE
ZONRW	WEST I - MUMBAI ZONE
ZOSO1	SOUTH I - CHENNAI ZONE
ZOSOU	SOUTH II - BANGALORE ZONE
ZOWON	EAST - CALCUTTA ZONE



**1,230** Branch Offices    
 **1.97 mn** Customers    
 **24,533** Employees    
 **15,356** Field Officers    
 **500** Private Financiers    
 **854** Rural Centres

Branch Network

# P&L Statement as per Ind AS

Particulars (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)
Interest income	31,081.0	37,290.6	19.98%
Interest expended	15,691.5	18,887.6	20.37%
Net interest income	15,389.5	18,403.0	19.58%
Other operating income	28.5	41.9	47.02%
<b>Operating income</b>	<b>15,418.0</b>	<b>18,444.9</b>	<b>19.63%</b>
Operating expenditure	3,347.0	4,366.7	30.47%
<b>Core operating profit</b>	<b>12,071.0</b>	<b>14,078.2</b>	<b>16.63%</b>
Other income	73.3	64.1	-12.55%
<b>Operating profit</b>	<b>12,144.3</b>	<b>14,142.3</b>	<b>16.45%</b>
Loan losses & Provision	5,107.2	5,330.1	4.36%
<b>PBT</b>	<b>7,037.1</b>	<b>8,812.2</b>	<b>25.22%</b>
Tax	2,440.2	3,095.0	26.83%
<b>PAT</b>	<b>4,596.9</b>	<b>5,717.2</b>	<b>24.37%</b>
<b>EPS (Rs)</b>	<b>20.26</b>	<b>25.20</b>	<b>24.37%</b>
<b>Tier I CRAR %</b>	<b>13.52%</b>	<b>14.28%</b>	<b>5.62%</b>
<b>Tier II CRAR %</b>	<b>1.96%</b>	<b>2.78%</b>	<b>41.84%</b>
<b>Total CRAR %</b>	<b>15.48%</b>	<b>17.06%</b>	<b>10.21%</b>
Book Value (Rs)	508.74	618.07	21.49%



# Balance Sheet as per Ind AS

Particulars (Rs. mn)	Jun-17	Jun-18	YoY (%)
<b>Financial Assets</b>			
Cash and Bank Balances	48,806.1	29,218.7	-40.1%
Loans	769,240.4	951,391.1	23.7%
Investments	25,232.1	24,313.8	-3.6%
Other Financial assets	2,606.2	4,004.0	53.6%
<b>Non Financial assets</b>			
Tax Assets	4,961.1	313.1	-93.7%
Fixed Assets	893.4	1,211.4	35.6%
Others	666.8	728.4	9.2%
<b>Total</b>	<b>852,406.1</b>	<b>1,011,180.5</b>	<b>18.6%</b>
<b>Liabilities and Equity</b>			
<b>Financial Liabilities</b>			
Debt Securities	235,189.8	270,305.6	14.9%
Borrowings (other than debt security)	216,000.8	259,533.0	20.2%
Deposits	89,448.0	87,116.5	-2.6%
Subordinated Liabilities	39,045.2	49,188.6	26.0%
Other Financial liabilities	149,747.4	197,657.4	32.0%
<b>Non-financial Liabilities</b>			
Provisions	5,920.9	4,477.7	-24.4%
Other non-financial liabilities	1,630.1	2,672.4	63.9%
Equity	115,423.9	140,229.3	21.5%
<b>Total</b>	<b>852,406.1</b>	<b>1,011,180.5</b>	<b>18.6%</b>

# Key Metrics – Q1 FY19

P&L Metrics (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)
Interest Income	31,081.0	37,290.6	19.98%
Less: Interest Expenses	15,691.5	18,887.6	20.37%
<b>Net Interest Income</b>	<b>15,389.5</b>	<b>18,403.0</b>	<b>19.58%</b>
Other Income	101.8	106.0	4.13%
<b>Profit After Tax</b>	<b>4,596.9</b>	<b>5,717.2</b>	<b>24.37%</b>
EPS (Rs.)	20.26	25.20	24.37%
NIM (on AUM)	7.41%	7.44%	0.40%

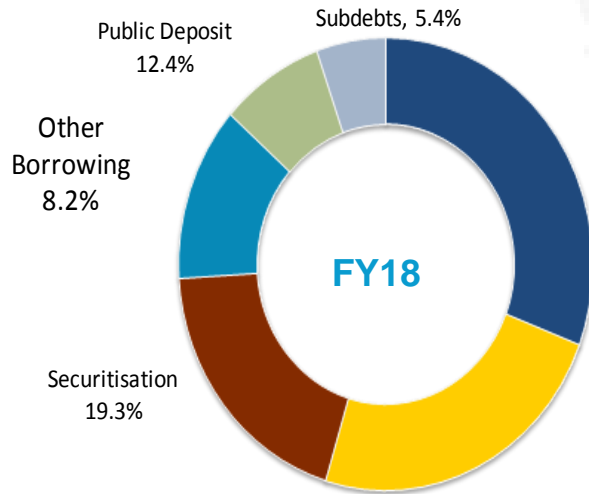
Balance Sheet Metrics (Rs. mn)	Q1 FY18	Q1 FY19	YoY (%)
Networth	115,424	140,229	21.49%
Book Value (Rs.)	508.7	618.1	21.49%
Interest Coverage (x)	1.99	1.98	-0.50%
ROA (%)	2.22%	2.40%	8.11%
ROE (%)	16.14%	16.65%	3.16%
CRAR (%)	15.48%	17.06%	10.21%

# Reconciliation of Net Profit between Previous GAAP and Ind AS

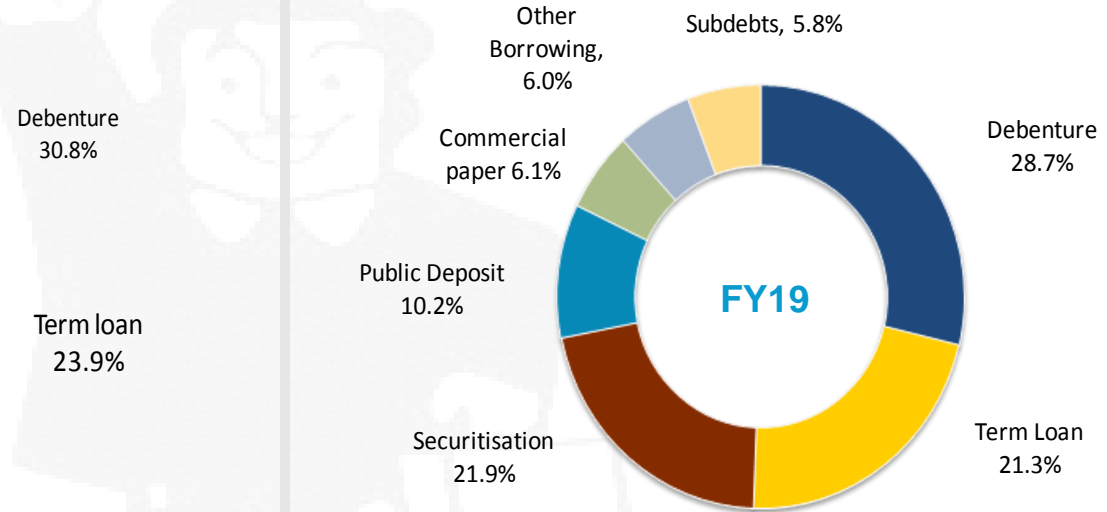
Particulars (Rs. mn)	Jun-17	Jun-18
<b>Net profit after tax as per Previous GAAP</b>	<b>4,486.8</b>	<b>5,404.5</b>
Adoption of Effective Interest Rate (EIR) for amortisation of income and expenses - financial assets at amortised cost	15.5	-71.7
Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	-115.2	-273.8
Expected Credit Loss	467.9	499.4
Others	-254.8	170.7
<b>Net profit/(loss) after tax as per Ind AS</b>	<b>4,600.2</b>	<b>5,729.1</b>
Other comprehensive income (net of tax)	-3.3	-11.9
<b>Total comprehensive income as per Ind AS (attributable to owners of the Company)</b>	<b>4,596.9</b>	<b>5,717.2</b>

# Borrowing Profile as on Jun 30, 2018 vs Jun 30, 2017

Rs 718.6 bn

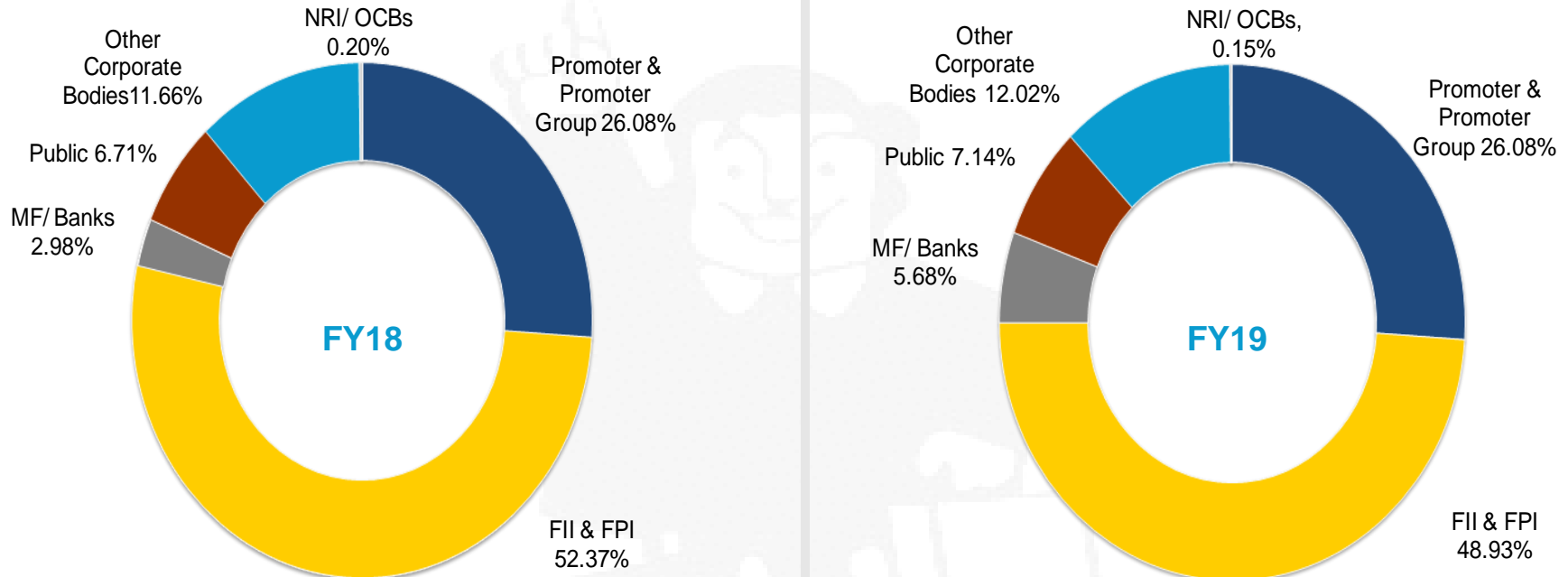


Rs 853.0 bn



# Shareholding Pattern as on Jun 30, 2018 vs Jun 30, 2017

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 fund raising: Allotted 11.658 mn equity shares at Rs. 500.80 per share to Qualified Institutional Buyers (QIB) for an aggregate sum of Rs. 5.84 bn resulting in a dilution of around 5.20% to 45 marquee global as well as domestic funds and insurers, which included 22 existing investors and the rest, new investors on January 28, 2010

Key Shareholders	Current Shareholding (Mn Shares)	%
Shriram Capital Limited	59.17	26.08
Piramal Enterprises Limited	22.60	9.96
Sanlam Life Insurance Limited	6.76	2.98
Societe Generale	4.91	2.16
SBI Mutual Fund	3.85	1.70
Abu Dhabi Investment Authority	3.74	1.65
New World Fund Inc	3.24	1.43
Oppenheimer International Small-Mid Company Fund	3.07	1.35
Vanguard Emerging Markets Stock Index Fund	2.76	1.22
Stichting Depository APG Emerging Markets Equity Pool	2.72	1.20
Public & Others	114.06	50.27
<b>Total</b>	<b>226.88</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 the largest asset financing NBFC with Assets under management of Rs. 100,978 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 1,230 branches, and employs 24,533 employees including 15,356 field officers. The company has built a strong customer base of approx. 1.97 mn. Over the past 39 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.





Thank You