

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

CIN: L65191TN1979PLC007874

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
	Revenue from operations						
(i)	Interest Income	4,133.68	4,109.89	3,948.40	12,230.35	11,564.55	15,384.28
(ii)	Dividend Income	-	0.19	-	0.19	4.99	4.99
(iii)	Rental Income	0.05	0.06	0.05	0.16	0.16	0.22
(iv)	Fees and commission Income	61.62	21.01	22.83	94.27	50.33	71.30
(v)	Net gain on fair value changes	68.22	63.52	(0.69)	164.24	7.20	-
(vi)	Others	22.47	22.87	20.47	68.22	31.07	61.65
(I)	Total Revenue from operations	4,286.04	4,217.54	3,991.06	12,557.43	11,658.30	15,522.44
(II)	Other Income	2.16	2.28	2.34	12.24	14.16	23.26
(III)	Total Income (I+II)	4,288.20	4,219.82	3,993.40	12,569.67	11,672.46	15,545.70
	Expenses						
(i)	Finance Costs	2,119.29	2,113.40	1,918.69	6,275.83	5,622.79	7,511.26
(ii)	Fees and commission expense	15.79	17.72	7.53	50.48	45.20	62.19
(iii)	Net loss on fair value changes	-	-	-	-	-	2.58
(iv)	Impairment on financial instruments	444.39	660.65	636.21	1,666.22	1,842.46	2,382.26
(v)	Employee Benefits Expenses	254.95	250.51	221.69	738.55	679.09	883.06
(vi)	Depreciation, amortization and impairment	36.30	35.60	10.89	105.34	31.46	42.97
(vii)	Others expenses	231.16	215.07	214.45	638.48	645.45	883.11
(IV)	Total Expenses	3,101.88	3,292.95	3,009.46	9,474.90	8,866.45	11,767.43
(V)	Profit / (loss) before exceptional items and tax (III-IV)	1,186.32	926.87	983.94	3,094.77	2,806.01	3,778.27
(VI)	Exceptional items	-	-	-	-	-	-
(VII)	Profit/(loss) before tax (V +VI)	1,186.32	926.87	983.94	3,094.77	2,806.01	3,778.27
(VIII)	Tax Expense: (Refer note 3)						
(1)	Current Tax	293.97	122.68	353.82	757.06	1,011.84	1,346.37
(2)	Deferred Tax	13.19	39.14	(5.33)	59.25	(23.76)	(22.27)
(3)	Tax adjustment for earlier years	-	-	-	-	-	(109.82)
(IX)	Profit/(loss) for the period (VII +VIII)	879.16	765.05	635.45	2,278.46	1,817.93	2,563.99
(X)	Share of Profit/(loss) of associate	3.03	3.24	3.11	9.46	8.71	11.69
(XI)	Minority interest	-	-	-	-	-	-
(XII)	Net Profit/(loss) after taxes, minority interest and share of profit/(loss) of associate (IX+X+XI)	882.19	768.29	638.56	2,287.92	1,826.64	2,575.68
(XIII)	Other Comprehensive Income						
(i)	Items that will not be reclassified to profit or loss	0.73	(1.30)	(1.94)	(5.19)	(3.86)	(3.56)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.18)	(0.12)	0.68	1.31	1.35	1.24
(iii)	Share in Other Comprehensive Income of Associate (net of tax)	-	(0.07)	(0.03)	(0.04)	(0.10)	(0.09)
	Other Comprehensive Income	0.55	(1.49)	(1.29)	(3.92)	(2.61)	(2.41)
(XIV)	Total Comprehensive Income for the period (XII+XIII)	882.74	766.80	637.27	2,284.00	1,824.03	2,573.27
(XV)	Paid-up equity share capital (face value Rs. 10/- per share)	226.88	226.88	226.90	226.88	226.90	226.90
(XVI)	Other Equity						15,735.85
(XVII)	Earnings per equity share (Not annualised for the interim periods)						
	Basic (Rs.)	38.88	33.86	28.15	100.84	80.51	113.52
	Diluted (Rs.)	38.88	33.86	28.15	100.84	80.51	113.52

Notes:

- 1 The above results of Shriram Transport Finance Company Limited ("the Company") and its associate have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 03, 2020.
- 2 Effective April 01, 2019, the Company and its associate adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on April 01, 2019 using the modified retrospective approach, recognizing right-of-use asset and adjusted lease liability. Accordingly, comparatives for the year ended March 31, 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.
- 3 During the quarter ended September 30, 2019, the Company had exercised the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company had recognised and remeasured Provision for Income Tax and Deferred Tax based on the rate prescribed in the said section in the previous quarter ended September 30, 2019. Accordingly, a net gain of Rs 167.68 crore had been recognized in the statement of Profit and Loss for the quarter ended September 30, 2019. This gain was on account of reduction in income tax rate amounting to Rs 179.77 crore offset by a charge on account of re-measurement of deferred tax assets amounting to Rs 12.09 crore.
- 4 The Company made Public Issue of Secured Redeemable Non-Convertible Debentures ("NCDs"), of face value of Rs. 1,000/- each, of Base Issue Size of Rs. 200 crores with an option to retain oversubscription aggregating upto Rs. 1,000 crores ("Tranche 2 Issue Limit") ("Tranche 2 Issue") during the quarter ended December 31, 2019. The Tranche 2 Issue opened on January 6, 2020 and closed on January 22, 2020. The Company made an allotment of 1,936,671 NCDs aggregating to Rs. 193.67 crores on January 28, 2020. The proceeds of the issue are being utilised for the purpose of onward disbursements.
- 5 On January 16, 2020, the Company issued and allotted USD 500,000,000 5.100% Senior Secured Notes due 2023 in offshore market (Social Bonds) equivalent to Rs. 3,541.75 crores under USD 3,000,000,000 Global Medium Term Note Programme. The said Social Bonds are listed on Singapore Stock Exchange (SGX-ST). The proceeds of the issue of the Social Bonds are being utilised for the purpose of onward lending and other activities as per the Company's Social Finance Framework and as may be permitted by the ECB Directions.
- 6 Pursuant to the interim dividend approved by the Board of Directors in their meeting held on October 24, 2019, the Company paid during the quarter ended December 31, 2019 an interim dividend of 50% (Rs. 5/- per equity share of nominal face value of Rs. 10/- each fully paid up) aggregating to Rs. 136.76 crores (including tax on dividend of Rs. 23.32 crores). The payment was made on November 19, 2019.
- 7 In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Joint Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter and nine months ended December 31, 2019. The Consolidated results for quarter and nine months ended December 31, 2018 have not been reviewed by the Joint Statutory Auditors.
- 8 The Company and its associate is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Segment Reporting.
- 9 The figures for the previous quarter/period have been regrouped / rearranged wherever necessary to conform to the current period presentation.

**By order of the Board
For Shriram Transport Finance Company Limited**

Place : Chennai
Date : February 03, 2020

**Umesh Revankar
Managing Director & CEO
DIN: 00141189**