



SEC/FILING/BSE-NSE/16-17/68A-B

July 27, 2016

**BSE Limited**  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.  
Scrip Code: 511218

**National Stock Exchange of India Limited**  
Listing Department  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot no. C/1, G- Block,  
Bandra-Kurla Complex,  
Mumbai – 400 051.  
NSE Symbol: SRTRANSFIN

Dear Sirs,

**Sub.: Investor Update / Presentation**

Further to our letter dt. 22/07/2016 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, we enclose herewith our Investor Update / Presentation.

Thanking you,

Yours faithfully,

*For* **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**

A handwritten signature in blue ink, appearing to read "Vivek Achwal", is written over a horizontal blue line.

**VIVEK ACHWAL**

**COMPANY SECRETARY**

**Shriram Transport Finance Company Limited**

**Corporate Office:** Wockhardt Towers, Level – 3, West Wing, C-2, G-Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051. Tel: +91 22 4095 9595 | Fax: +91 22 4095 9597.  
**Registered Office:** Mookambika Complex, 3<sup>rd</sup> Floor, No.4, Lady Desika Road, Mylapore, Chennai – 600 004, Tamil Nadu, India. Tel: +91 44 2499 0356 | Fax: +91 44 2499 3272.  
Website: [www.stfc.in](http://www.stfc.in) | Corporate Identity Number (CIN) – L65191TN1979PLC007874.



# Shriram Transport Finance Company Ltd

Investor Update – Q1 FY2017

July 27, 2016

## Performance Highlights – Q1 FY17 vs Q1 FY16

<b>Total Income</b>	<b>14.1%</b> ↑	Q1 FY17	<b>Rs 26,859.8 mn</b>
		Q1 FY16	Rs 23,533.4 mn
<b>Net Interest Income*</b>	<b>18.5%</b> ↑	Q1 FY17	<b>Rs 13,461.0 mn</b>
		Q1 FY16	Rs 11,356.1 mn
* including Securitisation Income			
<b>PAT</b>	<b>16.5%</b> ↑	Q1 FY17	<b>Rs 3,741.0 mn</b>
		Q1 FY16	Rs 3,211.1 mn
<b>EPS</b>	<b>16.5%</b> ↑	Q1 FY17	<b>Rs 16.49</b>
		Q1 FY16	Rs 14.15

\* Cost to income at 23.58% in Q1 FY17 as compared to 23.77% in Q1 FY16

\* Employee strength at 19,125 including 11,624 field executives against 16,061 in Q1 FY16

## Performance Highlights – Q1 FY17 vs Q1 FY16

<b>AUM</b>	<b>23.6%</b> ↑	Q1 FY17	<b>Rs 748,084.6 mn</b>
		Q1 FY16	Rs 605,317.2 mn
<b>GNPA</b>	<b>93.7%</b> ↑	Q1 FY17	<b>Rs 41,259.0 mn</b>
		Q1 FY16	Rs 21,303.9 mn
<b>NNPA</b>	<b>166.5%</b> ↑	Q1 FY17	<b>Rs 12,202.3 mn</b>
		Q1 FY16	Rs 4,578.5 mn
<b>Book Value</b>	<b>10.3%</b> ↑	Q1 FY17	<b>Rs 463.2</b>
		Q1 FY16	Rs 419.9

\* Change in the NPA recognition norms for FY 16 to 150 days from 180 days for FY15. Coverage ratio at 70.43% in Q1 FY17 as compared to 78.51 % in Q1 FY16

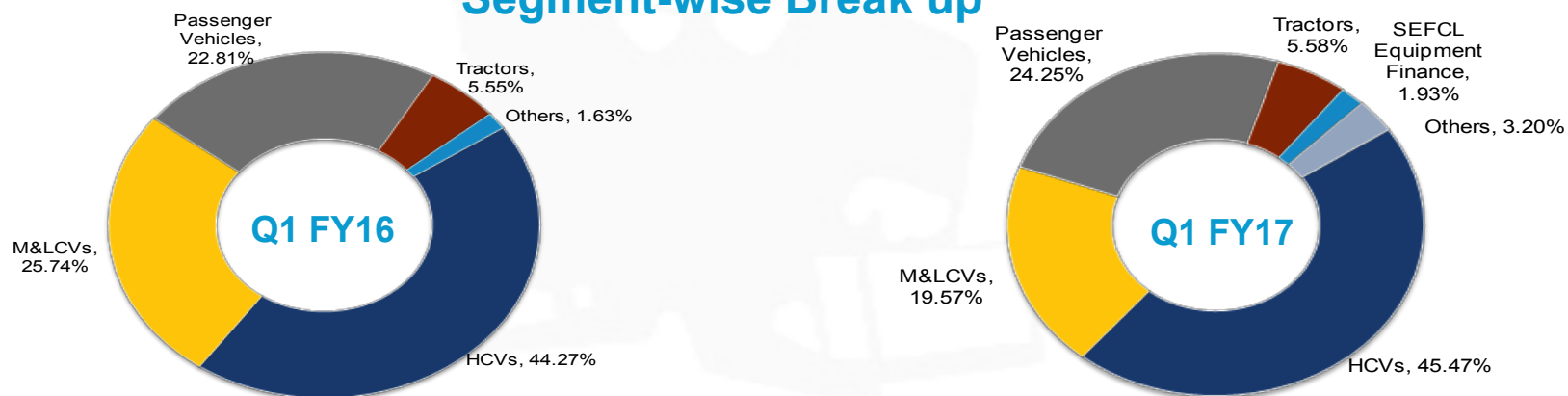
\* CRAR at 17.37% at the end of Q1FY17 as compared to 19.81% at the end of Q1FY16

# AUM Break-up



Particulars (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
- On Books	517,727.0	618,783.7	639,619.6	23.54%	3.37%	618,783.7
- Off Books	87,590.2	108,822.3	108,465.0	23.83%	-0.33%	108,822.3
<b>Total AUM</b>	<b>605,317.2</b>	<b>727,606.0</b>	<b>748,084.6</b>	<b>23.59%</b>	<b>2.81%</b>	<b>727,606.0</b>
- New	46,834.2	75,715.1	80,381.2	71.63%	6.16%	75,715.1
- Used	558,122.1	651,348.4	667,342.0	19.57%	2.46%	651,348.4
- Others	360.9	542.5	361.4	0.14%	-33.38%	542.5
<b>Total AUM</b>	<b>605,317.2</b>	<b>727,606.0</b>	<b>748,084.6</b>	<b>23.59%</b>	<b>2.81%</b>	<b>727,606.0</b>

## Segment-wise Break up



**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.

## NPA Analysis

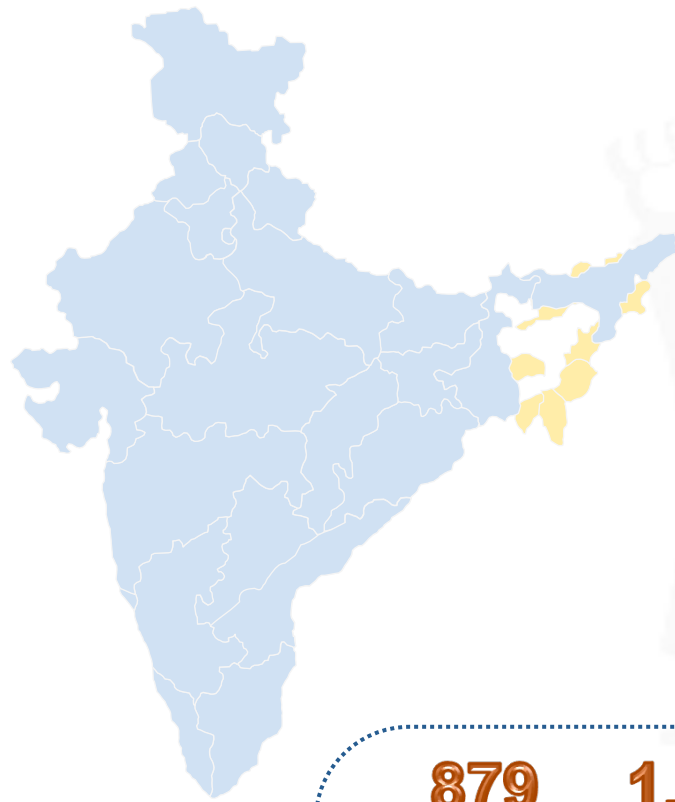


Particulars (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
Gross NPA	21,303.9	38,702.4	41,259.0	93.67%	6.61%	38,702.4
Net NPA	4,578.5	11,437.0	12,202.3	166.51%	6.69%	11,437.0
Gross NPA (%)	4.07%	6.18%	6.38%	56.76%	3.24%	6.18%
Net NPA (%)	0.90%	1.91%	1.97%	118.89%	3.14%	1.91%
Coverage Ratio (%)	78.51%	70.45%	70.43%	-10.29%	-0.03%	70.45%

- \* NPA recognition on a 180 dpd basis upto Q3 FY16
- \* Have transitioned to NPA recognition on a 150 dpd basis from Q4 FY16
- \* Provision Coverage Ratio (PCR) on 150 dpd NPA at ~70.45% in FY16
- \* Pursuant to the amalgamation of Shriram Equipment Finance Co. Ltd. – NPA (on 150 dpd basis) of Rs. 8,937.45 million have been included in the standalone financials for FY16

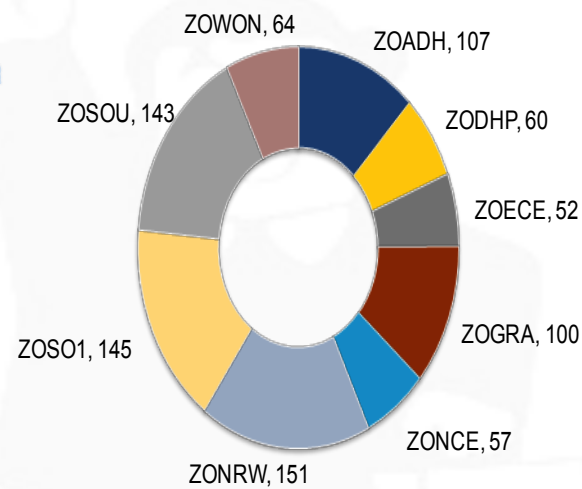
**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.

# Well-entrenched Pan India Network



■ Branch Network

## Regional Split of Branches



## ABBREVIATIONS

Zone	Zone Name
ZOADH	HYDERABAD ZONE
ZODHP	NORTH II
ZOECE	EAST CENTRAL ZONE
ZOGRA	WEST II
ZONCE	NORTH I
ZONRW	WEST I
ZOSO1	SOUTH I
ZOSOU	SOUTH II
ZOWON	EAST

<b>879</b>	<b>1.35mn</b>	<b>19,125</b>	<b>11,624</b>	<b>500</b>	<b>787</b>
Branch Offices	Customers	Employees	Field Officers	Private Financiers	Rural Centres

## P&L Statement



Particulars (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
Interest income	22,014.5	27,206.6	24,763.6	12.49%	-8.98%	95,300.1
Interest expended	11,971.6	14,473.9	13,165.2	9.97%	-9.04%	50,743.8
Net interest income	10,042.9	12,732.7	11,598.4	15.49%	-8.91%	44,556.3
Income from securitisation	1,506.9	1,896.3	1,941.0	28.81%	2.36%	6,869.4
Less : Securitisation expenses	193.7	191.2	78.4	-59.53%	-59.00%	698.4
Income from securitisation (net)	1,313.2	1,705.1	1,862.6	41.84%	9.24%	6,171.0
<b>Net interest income (incl. sec)</b>	<b>11,356.1</b>	<b>14,437.8</b>	<b>13,461.0</b>	<b>18.54%</b>	<b>-6.77%</b>	<b>50,727.3</b>
Other fee based income	16.5	31.0	12.3	-25.45%	-60.32%	95.3
<b>Operating income</b>	<b>11,372.6</b>	<b>14,468.8</b>	<b>13,473.3</b>	<b>18.47%</b>	<b>-6.88%</b>	<b>50,822.6</b>
Operating expenditure	2,905.3	3,895.7	3,340.9	14.99%	-14.24%	13,088.9
<b>Core operating profit *</b>	<b>8,467.3</b>	<b>10,573.1</b>	<b>10,132.4</b>	<b>19.67%</b>	<b>-4.17%</b>	<b>37,733.7</b>
Other income	145.9	166.2	154.6	5.96%	-6.98%	666.3
<b>Operating profit</b>	<b>8,613.2</b>	<b>10,739.3</b>	<b>10,287.0</b>	<b>19.43%</b>	<b>-4.21%</b>	<b>38,400.0</b>
Provisions for bad debts	3,767.5	8,282.1	4,536.6	20.41%	-45.22%	20,086.7
Provisions against standard assets	55.6	285.0	53.9	-3.06%	-81.09%	499.0
<b>PBT</b>	<b>4,790.1</b>	<b>2,172.2</b>	<b>5,696.5</b>	<b>18.92%</b>	<b>162.25%</b>	<b>17,814.3</b>
Tax	1,579.0	733.0	1,955.5	23.84%	166.78%	6,032.3
<b>PAT</b>	<b>3,211.1</b>	<b>1,439.2</b>	<b>3,741.0</b>	<b>16.50%</b>	<b>159.94%</b>	<b>11,782.0</b>
<b>EPS (Rs)</b>	<b>14.15</b>	<b>6.34</b>	<b>16.49</b>	<b>16.54%</b>	<b>160.09%</b>	<b>51.93</b>
<b>Tier I CRAR %</b>	<b>16.18%</b>	<b>14.71%</b>	<b>14.83%</b>	<b>-8.34%</b>	<b>0.82%</b>	<b>14.71%</b>
<b>Tier II CRAR %</b>	<b>3.63%</b>	<b>2.85%</b>	<b>2.54%</b>	<b>-30.03%</b>	<b>-10.88%</b>	<b>2.85%</b>
<b>Total CRAR %</b>	<b>19.81%</b>	<b>17.56%</b>	<b>17.37%</b>	<b>-12.32%</b>	<b>-1.08%</b>	<b>17.56%</b>
<b>Book Value (Rs)</b>	<b>419.87</b>	<b>446.56</b>	<b>463.21</b>	<b>10.32%</b>	<b>3.73%</b>	<b>446.56</b>

\*Before Provisions & Contingencies

**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.



# Balance Sheet



Particulars (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
<b>Liabilities</b>						
<u>Shareholder funds</u>						
(a) Share capital	2,269.1	2,269.1	2,269.1	0.00%	0.00%	2,269.1
(b) Reserves and surplus	93,321.7	99,272.1	103,014.0	10.39%	3.77%	99,272.1
<u>Non-current liabilities</u>						
(a) Long-term borrowings	311,027.0	302,696.7	301,511.6	-3.06%	-0.39%	302,696.7
(b) Other long term liabilities	9,764.7	11,635.1	11,524.5	18.02%	-0.95%	11,635.1
(c) Long term provisions	17,482.9	28,427.2	30,273.3	73.16%	6.49%	28,427.2
<u>Current liabilities</u>						
(a) Short-term borrowings	24,018.4	33,303.5	52,505.9	118.61%	57.66%	33,303.5
(b) Trade payables	12,309.0	15,113.7	16,167.4	31.35%	6.97%	15,113.7
(c) Other current liabilities	130,114.8	181,819.7	179,760.8	38.16%	-1.13%	181,819.7
(d) Short-term provisions	5,376.3	5,096.0	6,117.8	13.79%	20.05%	5,096.0
<b>Total</b>	<b>605,683.9</b>	<b>679,633.1</b>	<b>703,144.4</b>	<b>16.09%</b>	<b>3.46%</b>	<b>679,633.1</b>
<b>Assets</b>						
<u>Non-current assets</u>						
(a) Fixed assets						
(i) Tangible assets	966.5	996.1	971.6	0.53%	-2.46%	996.1
(ii) Intangible assets	20.7	14.5	15.6	-24.64%	7.59%	14.5
(b) Non-current investments	13,136.8	12,521.7	13,182.0	0.34%	5.27%	12,521.7
(c) Deferred tax assets (net)	2,719.4	3,077.0	3,133.5	15.23%	1.84%	3,077.0
(d) Long term loans and advances	326,811.8	430,101.9	451,000.4	38.00%	4.86%	430,101.9
(e) Other non-current assets	257.1	138.8	183.5	-28.63%	32.20%	138.8
<u>Current assets</u>						
(a) Current investments	2,955.0	1,040.0	40.0	-98.65%	-96.15%	1,040.0
(b) Cash and bank balances	52,204.4	23,638.6	26,608.9	-49.03%	12.57%	23,638.6
(c) Short-term loans and advances	205,905.9	207,598.7	207,380.8	0.72%	-0.10%	207,598.7
(d) Other current assets	706.3	505.8	628.1	-11.07%	24.18%	505.8
<b>Total</b>	<b>605,683.9</b>	<b>679,633.1</b>	<b>703,144.4</b>	<b>16.09%</b>	<b>3.46%</b>	<b>679,633.1</b>

**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.

## Key Metrics – Q1 FY17



P&L Metrics (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
Interest Income	22,014.5	27,206.6	24,763.6	12.49%	-8.98%	95,300.1
Securitisation Income	1,313.2	1,705.1	1,862.6	41.84%	9.24%	6,171.0
<b>Total Interest Income</b>	<b>23,327.7</b>	<b>28,911.7</b>	<b>26,626.2</b>	<b>14.14%</b>	<b>-7.91%</b>	<b>101,471.1</b>
Less: Interest Expenses	11,971.6	14,473.9	13,165.2	9.97%	-9.04%	50,743.8
<b>Net Interest Income</b>	<b>11,356.1</b>	<b>14,437.8</b>	<b>13,461.0</b>	<b>18.54%</b>	<b>-6.77%</b>	<b>50,727.3</b>
Other Income	162.4	197.2	166.9	2.77%	-15.37%	761.6
Profit After Tax	3,211.1	1,439.2	3,741.0	16.50%	159.94%	11,782.0
EPS (Rs.)	14.15	6.34	16.49	16.54%	160.09%	51.93
Cost to income Ratio (%)	23.77%	25.55%	23.58%	-0.80%	-7.71%	24.01%
NIM (on AUM)	6.76%	7.65%	7.35%	8.73%	-3.92%	7.23%

**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.

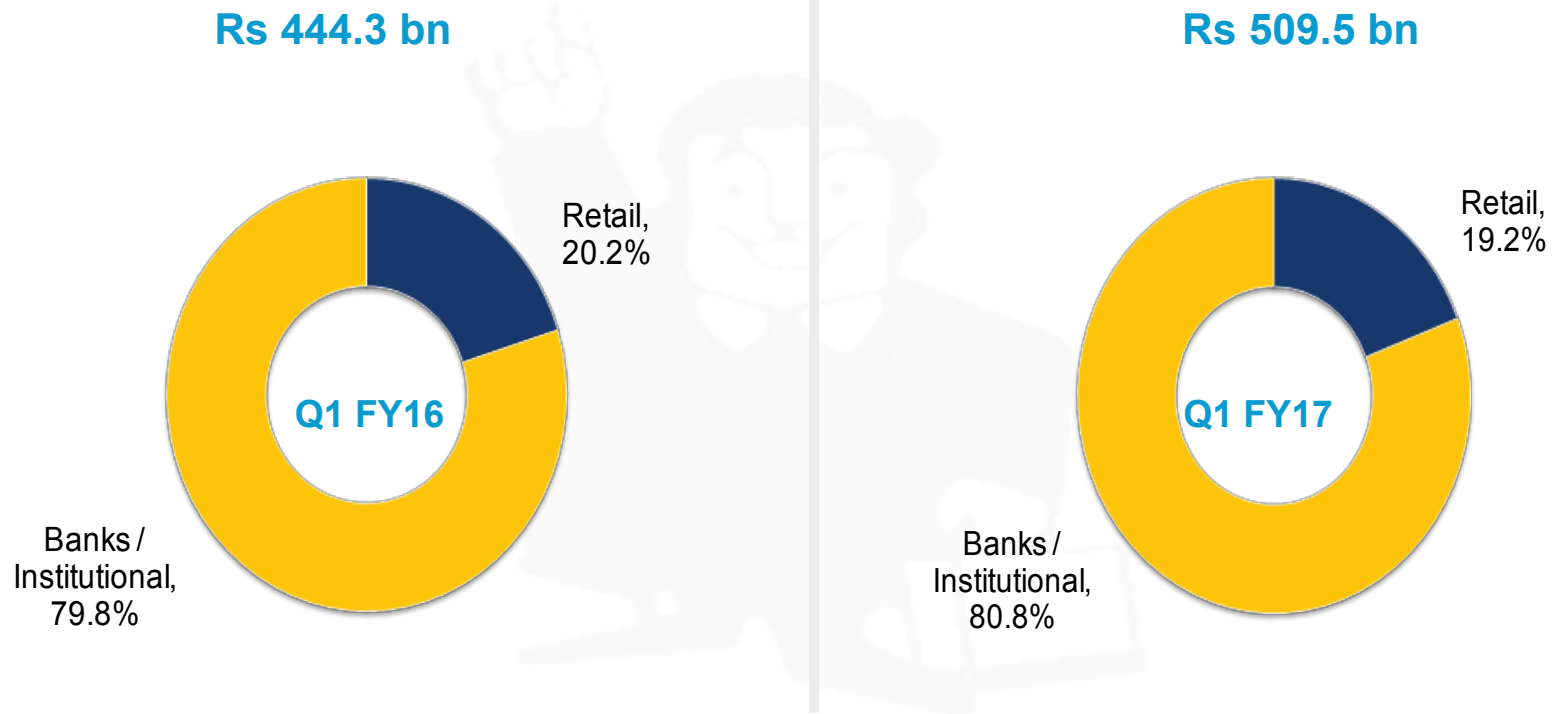
## Key Metrics – Q1 FY17



Balance Sheet Metrics (Rs. mn)	Q1 FY16	Q4 FY16	Q1 FY17	YoY (%)	QoQ (%)	FY16
Networth	95,261.2	101,317.8	105,094.1	10.32%	3.73%	101,317.8
Book Value (Rs.)	419.87	446.56	463.21	10.32%	3.73%	446.56
Securitisation done	8,262	46,199	21,619	161.67%	-53.20%	89,918
Interest Coverage	1.98	2.02	2.04	3.03%	0.99%	2.03
ROA (%)	2.14%	0.86%	2.15%	0.47%	150.00%	1.86%
ROE (%)	13.67%	5.67%	14.47%	5.85%	155.20%	11.99%
CRAR (%)	19.81%	17.56%	17.37%	-12.32%	-1.08%	17.56%

**Note:** The standalone financials for FY16 include the performance of erstwhile wholly owned subsidiary Shriram Equipment Finance Co. Ltd. which has been amalgamated with STFC - the Appointed date was April 1, 2015.

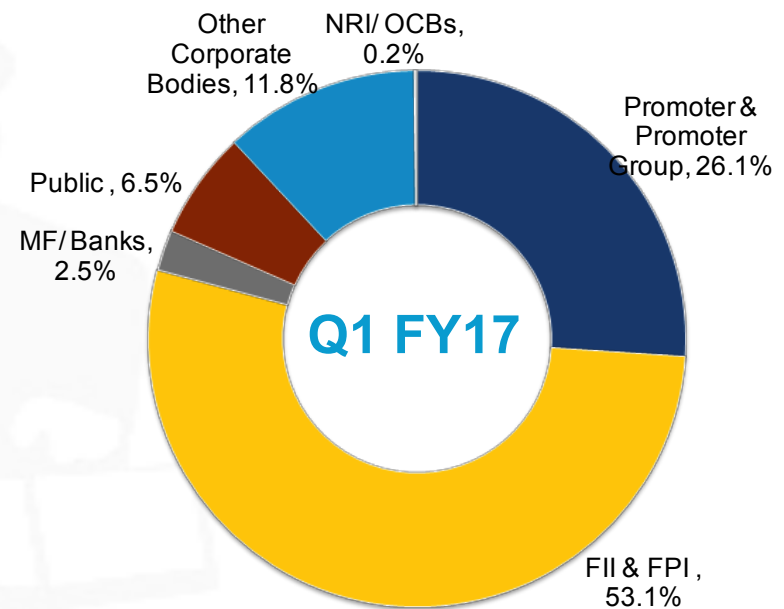
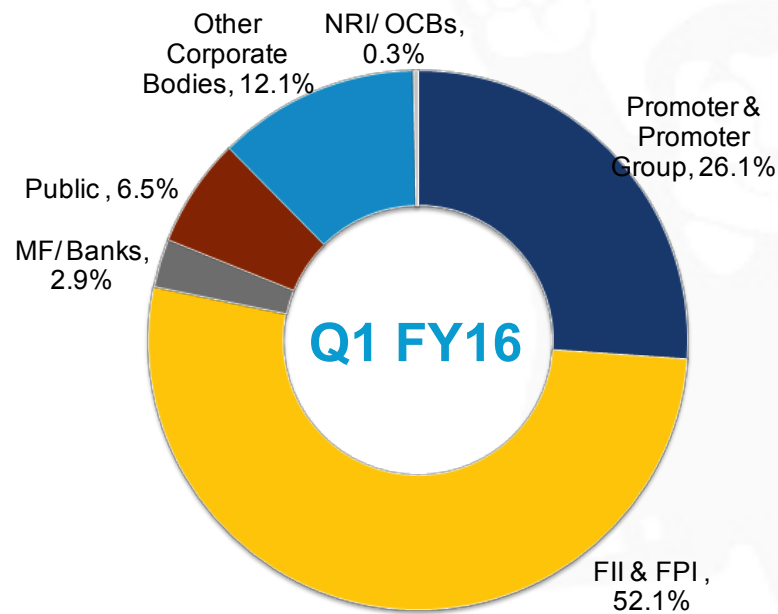
# Borrowing Profile



# Shareholding Pattern as on June 30, 2016 vs June 30, 2015



No. of shares outstanding: 226.88mn



## 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	59.10	26.05
Piramal Enterprises Limited	22.60	9.96
Sanlam Life Insurance Limited	6.76	2.98
Smallcap World Fund, Inc	4.62	2.03
Centaura Investments (Mauritius) Pte Ltd	4.49	1.98
Government of Singapore	4.39	1.93
Stichting Depository APG Emerging Markets	4.01	1.77
New World Fund Inc	3.58	1.58
Government Pension Fund Global	2.99	1.32
Vanguard Emerging Markets Stock Index Fund	2.62	1.15
Kuwait Investment Authority - Fund No. 208	2.38	1.05
Public & Others	109.34	48.20
<b>Total</b>	<b>226.88</b>	<b>100.00</b>

## Contact Us

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**For any Investor Relations  
queries please contact**

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Shriram Transport Finance Co. Ltd  
Email: [smundra@stfc.in](mailto:smundra@stfc.in)  
Tel. No. +91-22-4095 9507

# About Us

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## **About Shriram Transport Finance Co. Ltd.**

Shriram Transport Finance Co Ltd. is the largest asset financing NBFC with Assets on Balance sheet of Rs. 63,961.96 crores and off Balance sheet assets of Rs. 10,846.50 crores. The company is a leader in organized financing of pre-owned trucks with strategic presence in 5-12 year old trucks. It has a pan-India presence with a network of 879 branches, and employs 19,125 employees including 11,624 field officers. The company has built a strong customer base of approx. 1.35 mn. Over the past 37 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