



SEC/FILING/BSE-NSE/17-18/68A-B

January 27, 2018

**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. 22/01/2018 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,

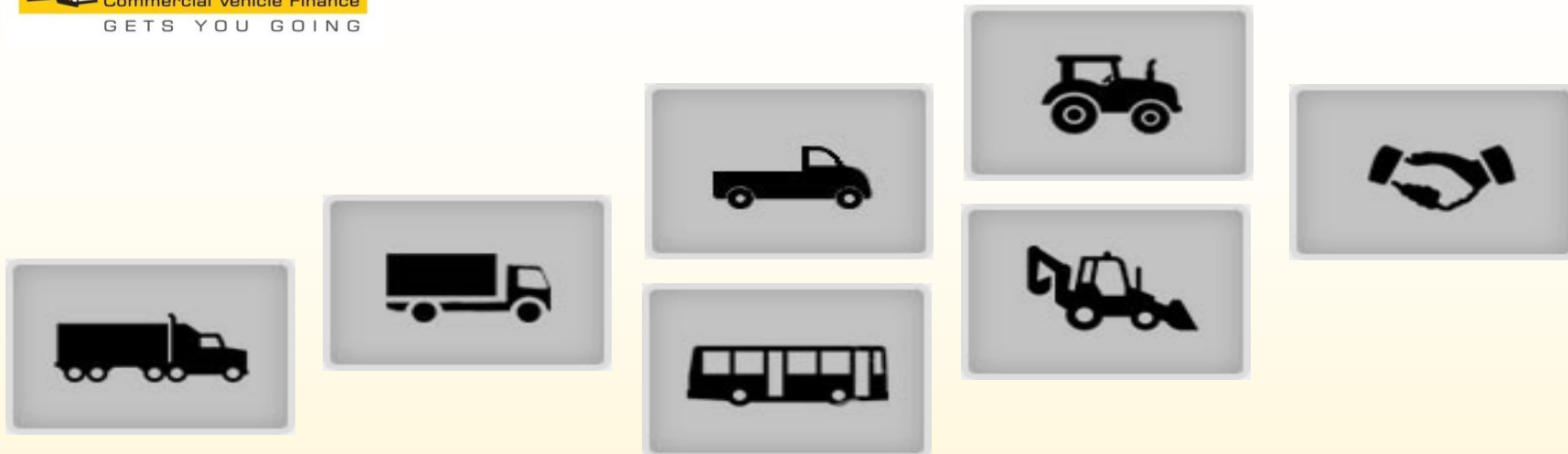
*For* **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**

A handwritten signature in blue ink, appearing to read "Vivek Achwal", with a horizontal line underneath.

**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 – Q3 & 9M FY2018

January 27, 2018

# Performance Highlights – Q3 FY18 vs Q3 FY17

<b>Total Income</b>	<b>13.7%</b> ↑	Q3 FY18	<b>Rs 30,888.7 mn</b>
		Q3 FY17	Rs 27,174.3 mn
<b>Net Interest Income*</b>	<b>21.1%</b> ↑	Q3 FY18	<b>Rs 17,094.2 mn</b>
		Q3 FY17	Rs 14,121.1 mn
<b>PAT</b>	<b>43.3%</b> ↑	Q3 FY18	<b>Rs 4,956.3 mn</b>
		Q3 FY17	Rs 3,459.6 mn
<b>EPS</b>	<b>43.3%</b> ↑	Q3 FY18	<b>Rs 21.85</b>
		Q3 FY17	Rs 15.25

\* including Securitisation Income

\* Cost to income ratio at 21.32% in Q3 FY18 as compared to 19.54% in Q3 FY17

\* Employee strength at 22,967 (including 14,497 field executives) in Q3 FY18 against 15,993 in Q3 FY17

# Performance Highlights – 9M FY18 vs 9M FY17

<b>Total Income</b>	<b>10.5%</b> ↑	9M FY18	<b>Rs 89,677.9 mn</b>
		9M FY17	Rs 81,183.0 mn
<b>Net Interest Income*</b>	<b>19.8%</b> ↑	9M FY18	<b>Rs 49,269.9 mn</b>
		9M FY17	Rs 41,124.9 mn
* including Securitisation Income			
<b>PAT</b>	<b>28.5%</b> ↑	9M FY18	<b>Rs 14,234.2 mn</b>
		9M FY17	Rs 11,077.1 mn
<b>EPS</b>	<b>28.5%</b> ↑	9M FY18	<b>Rs 62.74</b>
		9M FY17	Rs 48.82

\* Cost to income ratio at 20.62% in 9M FY18 as compared to 21.77% in 9M FY17

# Performance Highlights – Q3 FY18 vs Q3 FY17

<b>AUM</b>	<b>18.0%</b> ↑	Q3 FY18	<b>Rs 900,185.6 mn</b>
		Q3 FY17	Rs 762,813.6 mn
<b>GNPA</b>	<b>40.4%</b> ↑	Q3 FY18	<b>Rs 60,463.1 mn</b>
		Q3 FY17	Rs 43,062.4 mn
<b>NNPA</b>	<b>65.6%</b> ↑	Q3 FY18	<b>Rs 17,510.5 mn</b>
		Q3 FY17	Rs 10,577.2 mn
<b>Book Value</b>	<b>11.5%</b> ↑	Q3 FY18	<b>Rs 547.58</b>
		Q3 FY17	Rs 490.99

\* In accordance with regulations, shifted NPA recognition norms to 120 days in Q4 FY17 from 150 days earlier.

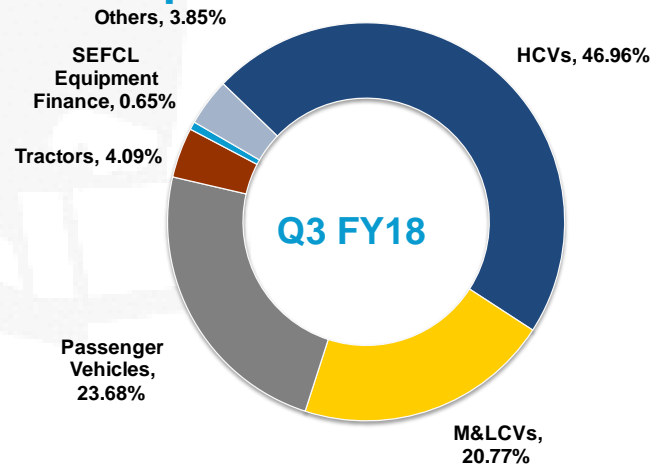
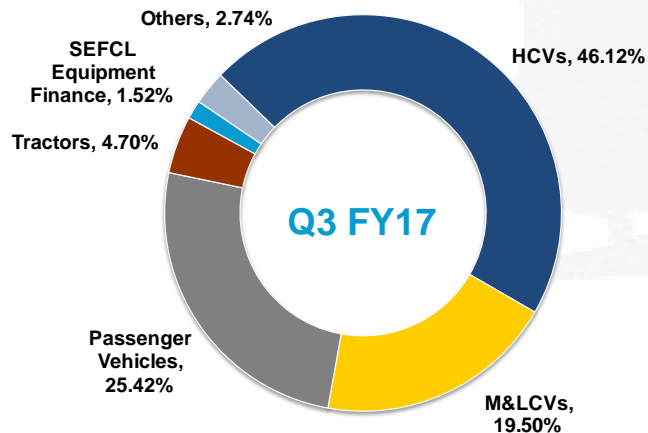
\* Coverage ratio at 71.04% in Q3 FY18 as compared to 75.44% in Q3 FY17

\* CRAR at 16.15% as of Q3 FY18 compared to 17.55% as of Q3 FY17.

# AUM Break-up

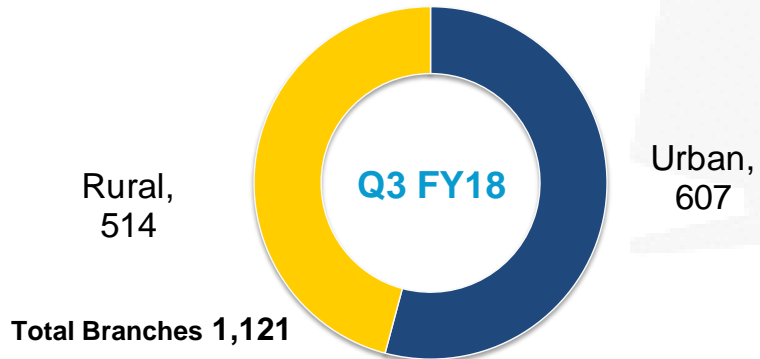
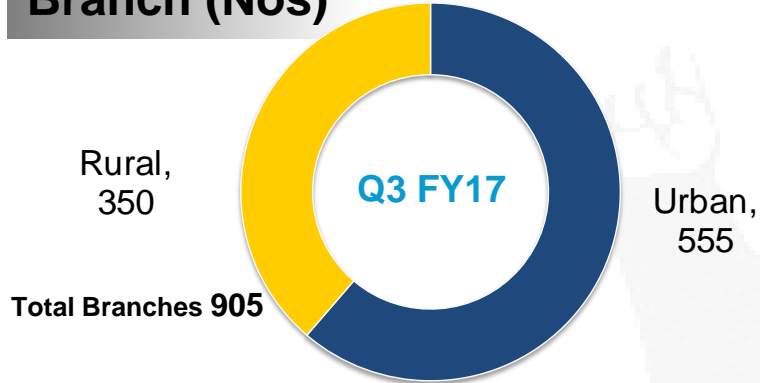
Particulars (Rs. mn)	Q3 FY17	Q1 FY18	Q2 FY18	Q3 FY18	YoY (%)	QoQ (%)	9M FY17	9M FY18	YoY (%)	FY17
- On Books	642,706.6	683,005.6	707,437.9	748,843.8	16.51%	5.85%	642,706.6	748,843.8	16.51%	654,628.7
- Off Books	120,107.0	133,113.9	147,187.8	151,341.8	26.01%	2.82%	120,107.0	151,341.8	26.01%	132,980.6
<b>Total AUM</b>	<b>762,813.6</b>	<b>816,119.5</b>	<b>854,625.7</b>	<b>900,185.6</b>	<b>18.01%</b>	<b>5.33%</b>	<b>762,813.6</b>	<b>900,185.6</b>	<b>18.01%</b>	<b>787,609.3</b>
- New	74,981.2	81,192.4	85,975.4	95,084.4	26.81%	10.59%	74,981.2	95,084.4	26.81%	79,188.7
- Used	666,931.3	710,588.4	740,139.0	770,473.2	15.53%	4.10%	666,931.3	770,473.2	15.53%	686,328.9
- Others	20,901.1	24,338.7	28,511.3	34,628.0	65.68%	21.45%	20,901.1	34,628.0	65.68%	22,091.7
<b>Total AUM</b>	<b>762,813.6</b>	<b>816,119.5</b>	<b>854,625.7</b>	<b>900,185.6</b>	<b>18.01%</b>	<b>5.33%</b>	<b>762,813.6</b>	<b>900,185.6</b>	<b>18.01%</b>	<b>787,609.3</b>

## Segment-wise Break up

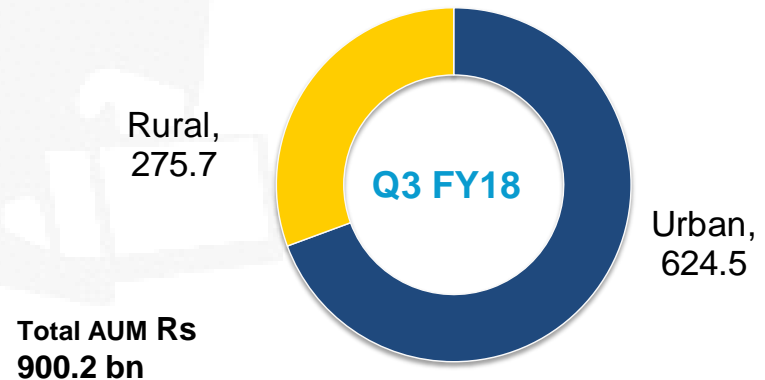
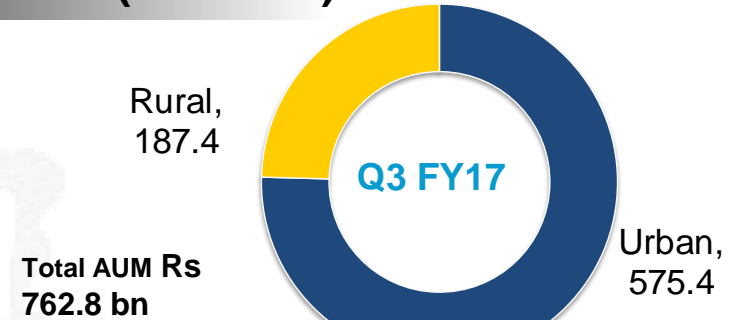


# Branch & AUM distribution – Q3 FY18 vs Q3 FY17

## Branch (Nos)



## AUM (Rs in bn)



# NPA Analysis

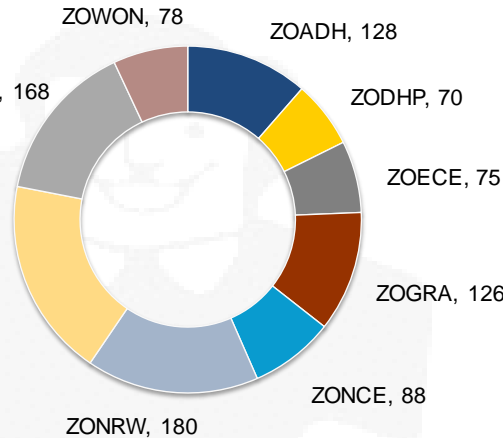
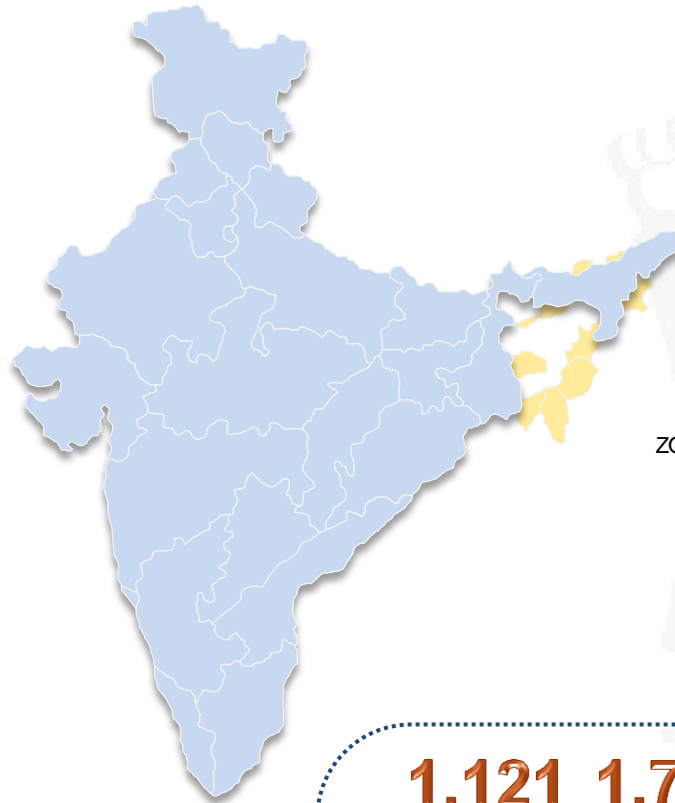
Particulars (Rs. mn)	Q3 FY17	Q1 FY18	Q2 FY18	Q3 FY18	YoY (%)	QoQ (%)	9M FY17	9M FY18	YoY (%)	FY17
Gross NPA	43,062.4	55,490.1	57,730.4	60,463.1	40.41%	4.73%	43,062.4	60,463.1	40.41%	54,084.4
Net NPA	10,577.2	16,197.3	16,552.2	17,510.5	65.55%	5.79%	10,577.2	17,510.5	65.55%	16,590.0
Gross NPA (%)	6.62%	8.03%	8.06%	7.98%	20.54%	-0.99%	6.62%	7.98%	20.54%	8.16%
Net NPA (%)	1.71%	2.49%	2.45%	2.45%	43.27%	0.00%	1.71%	2.45%	43.27%	2.65%
Coverage Ratio (%)	75.44%	70.81%	71.33%	71.04%	-5.83%	-0.41%	75.44%	71.04%	-5.83%	69.33%

- \* The company transitioned to 120 dpd NPA recognition from Q4 FY17
  - YoY figures are not comparable since NPA recognition in Q3 FY17 was on 150 dpd basis
- \* Provision Coverage Ratio (PCR) on 120 dpd at 71.04% in Q3 FY18 as against 75.44% on 150 dpd in Q3 FY17.



# 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

Branch Network

**1,121** Branch Offices    
 **1.71 mn** Customers    
 **22,967** Employees    
 **14,497** Field Officers    
 **500** Private Financiers    
 **930** Rural Centres

# P&L Statement

Particulars (Rs. mn)	Q3 FY17	Q1 FY18	Q2 FY18	Q3 FY18	YoY (%)	QoQ (%)	9M FY17	9M FY18	YoY (%)	FY17
Interest income	24,437.9	26,198.1	26,761.2	27,573.3	12.83%	3.03%	73,827.8	80,532.6	9.08%	98,013.0
Interest expended	12,824.9	12,834.5	13,082.4	13,540.2	5.58%	3.50%	39,348.5	39,457.1	0.28%	52,094.0
Net interest income	11,613.0	13,363.6	13,678.8	14,033.1	20.84%	2.59%	34,479.3	41,075.5	19.13%	45,919.0
Income from securitisation	2,553.4	2,571.2	2,714.0	3,096.1	21.25%	14.08%	6,834.5	8,381.3	22.63%	9,532.0
Less : Securitisation expenses	45.3	82.8	69.1	35.0	-22.74%	-49.35%	188.9	186.9	-1.06%	239.2
Income from securitisation (net)	2,508.1	2,488.4	2,644.9	3,061.1	22.05%	15.74%	6,645.6	8,194.4	23.31%	9,292.8
<b>Net interest income (incl. sec)</b>	<b>14,121.1</b>	<b>15,852.0</b>	<b>16,323.7</b>	<b>17,094.2</b>	<b>21.05%</b>	<b>4.72%</b>	<b>41,124.9</b>	<b>49,269.9</b>	<b>19.81%</b>	<b>55,211.8</b>
Other fee based income	18.2	28.5	28.7	27.2	49.45%	-5.23%	46.0	84.4	83.48%	65.2
<b>Operating income</b>	<b>14,139.3</b>	<b>15,880.5</b>	<b>16,352.4</b>	<b>17,121.4</b>	<b>21.09%</b>	<b>4.70%</b>	<b>41,170.9</b>	<b>49,354.3</b>	<b>19.88%</b>	<b>55,277.0</b>
Operating expenditure	2,905.4	3,379.0	3,485.0	3,828.4	31.77%	9.85%	9,384.3	10,692.4	13.94%	12,287.7
<b>Core operating profit *</b>	<b>11,233.9</b>	<b>12,501.5</b>	<b>12,867.4</b>	<b>13,293.0</b>	<b>18.33%</b>	<b>3.31%</b>	<b>31,786.6</b>	<b>38,661.9</b>	<b>21.63%</b>	<b>42,989.3</b>
Other income	164.4	189.9	295.0	193.3	17.58%	-34.47%	472.1	678.2	43.66%	693.1
<b>Operating profit</b>	<b>11,398.3</b>	<b>12,691.4</b>	<b>13,162.4</b>	<b>13,486.3</b>	<b>18.32%</b>	<b>2.46%</b>	<b>32,258.7</b>	<b>39,340.1</b>	<b>21.95%</b>	<b>43,682.4</b>
Provisions for bad debts	6,089.5	5,729.2	5,792.0	5,719.1	-6.08%	-1.26%	15,270.9	17,240.3	12.90%	24,075.8
Provisions against standard assets	15.5	93.5	87.1	134.6	768.39%	54.54%	58.3	315.2	440.65%	367.4
<b>PBT</b>	<b>5,293.3</b>	<b>6,868.7</b>	<b>7,283.3</b>	<b>7,632.6</b>	<b>44.19%</b>	<b>4.80%</b>	<b>16,929.5</b>	<b>21,784.6</b>	<b>28.68%</b>	<b>19,239.2</b>
Tax	1,833.7	2,381.9	2,492.2	2,676.3	45.95%	7.39%	5,852.4	7,550.4	29.01%	6,665.8
<b>PAT</b>	<b>3,459.6</b>	<b>4,486.8</b>	<b>4,791.1</b>	<b>4,956.3</b>	<b>43.26%</b>	<b>3.45%</b>	<b>11,077.1</b>	<b>14,234.2</b>	<b>28.50%</b>	<b>12,573.4</b>
<b>EPS (Rs)</b>	<b>15.25</b>	<b>19.78</b>	<b>21.11</b>	<b>21.85</b>	<b>43.28%</b>	<b>3.51%</b>	<b>48.82</b>	<b>62.74</b>	<b>28.51%</b>	<b>55.42</b>
<b>Tier I CRAR %</b>	<b>15.44%</b>	<b>14.89%</b>	<b>15.00%</b>	<b>14.86%</b>	<b>-3.76%</b>	<b>-0.93%</b>	<b>15.44%</b>	<b>14.86%</b>	<b>-3.76%</b>	<b>15.20%</b>
<b>Tier II CRAR %</b>	<b>2.11%</b>	<b>1.37%</b>	<b>1.19%</b>	<b>1.29%</b>	<b>-38.86%</b>	<b>8.40%</b>	<b>2.11%</b>	<b>1.29%</b>	<b>-38.86%</b>	<b>1.74%</b>
<b>Total CRAR %</b>	<b>17.55%</b>	<b>16.26%</b>	<b>16.19%</b>	<b>16.15%</b>	<b>-7.98%</b>	<b>-0.25%</b>	<b>17.55%</b>	<b>16.15%</b>	<b>-7.98%</b>	<b>16.94%</b>
<b>Book Value (Rs)</b>	<b>490.99</b>	<b>510.38</b>	<b>531.58</b>	<b>547.58</b>	<b>11.53%</b>	<b>3.01%</b>	<b>490.99</b>	<b>547.58</b>	<b>11.53%</b>	<b>497.71</b>

\*Before Provisions & Contingencies

# Balance Sheet

Particulars (Rs. mn)	Dec-16	Jun-17	Sep-17	Dec-17	YoY (%)	QoQ (%)	Mar-17
<b>Liabilities</b>							
<u>Shareholder funds</u>							
(a) Share capital	2,269.1	2,269.1	2,269.1	2,269.1	0.00%	0.00%	2,269.1
(b) Reserves and surplus	109,256.9	113,601.6	118,392.7	122,008.0	11.67%	3.05%	110,753.2
<u>Non-current liabilities</u>							
(a) Long-term borrowings	314,445.0	336,810.3	349,751.9	367,656.4	16.92%	5.12%	337,001.8
(b) Other long term liabilities	12,397.4	12,839.9	14,377.0	15,101.1	21.81%	5.04%	13,120.3
(c) Long term provisions	33,706.6	40,791.8	42,734.8	44,607.9	32.34%	4.38%	38,939.4
<u>Current liabilities</u>							
(a) Short-term borrowings	52,985.6	68,621.7	52,922.9	74,037.6	39.73%	39.90%	49,831.4
(b) Trade payables	15,654.6	15,738.5	16,804.6	17,434.4	11.37%	3.75%	17,309.5
(c) Other current liabilities	169,158.4	181,463.1	181,881.1	180,447.2	6.67%	-0.79%	170,896.3
(d) Short-term provisions	5,462.9	6,658.6	5,137.3	6,782.9	24.16%	32.03%	3,982.1
<b>Total</b>	<b>715,336.5</b>	<b>778,794.6</b>	<b>784,271.4</b>	<b>830,344.6</b>	<b>16.08%</b>	<b>5.87%</b>	<b>744,103.1</b>
<b>Assets</b>							
<u>Non-current assets</u>							
(a) Fixed assets							
(i) Tangible assets	855.1	844.1	911.0	948.7	10.95%	4.14%	809.8
(ii) Intangible assets	12.8	18.5	16.9	15.0	17.19%	-11.24%	16.1
(b) Non-current investments	14,502.8	14,967.2	14,968.5	14,969.8	3.22%	0.01%	14,983.3
(c) Deferred tax assets (net)	3,392.8	3,884.0	3,992.8	4,108.6	21.10%	2.90%	3,622.8
(d) Long term loans and advances	455,570.9	490,129.5	510,499.8	541,911.9	18.95%	6.15%	473,088.8
(e) Other non-current assets	103.9	137.2	42.3	38.8	-62.66%	-8.27%	751.5
<u>Current assets</u>							
(a) Current investments	0.0	3,100.0	0.0	0.0	0.00%	0.00%	522.1
(b) Cash and bank balances	31,345.7	48,342.1	28,737.7	31,928.6	1.86%	11.10%	44,406.9
(c) Short-term loans and advances	208,863.0	216,680.3	224,470.0	235,671.5	12.84%	4.99%	205,313.1
(d) Other current assets	689.5	691.7	632.4	751.7	9.02%	18.86%	588.7
<b>Total</b>	<b>715,336.5</b>	<b>778,794.6</b>	<b>784,271.4</b>	<b>830,344.6</b>	<b>16.08%</b>	<b>5.87%</b>	<b>744,103.1</b>

# Key Metrics – Q3 FY18

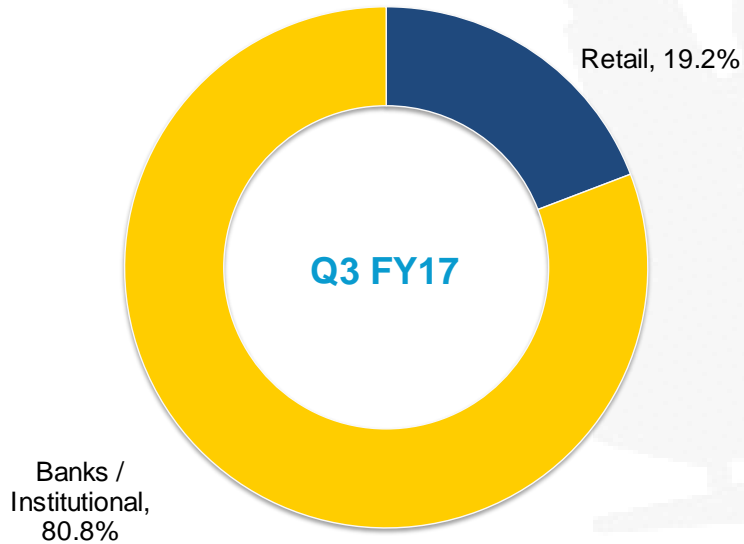
P&L Metrics (Rs. mn)	Q3 FY17	Q1 FY18	Q2 FY18	Q3 FY18	YoY (%)	QoQ (%)	9M FY17	9M FY18	YoY (%)	FY17
Interest Income	24,437.9	26,198.1	26,761.2	27,573.3	12.83%	3.03%	73,827.8	80,532.6	9.08%	98,013.0
Securitisation Income	2,508.1	2,488.4	2,644.9	3,061.1	22.05%	15.74%	6,645.6	8,194.4	23.31%	9,292.8
<b>Total Interest Income</b>	<b>26,946.0</b>	<b>28,686.5</b>	<b>29,406.1</b>	<b>30,634.4</b>	<b>13.69%</b>	<b>4.18%</b>	<b>80,473.4</b>	<b>88,727.0</b>	<b>10.26%</b>	<b>107,305.8</b>
Less: Interest Expenses	12,824.9	12,834.5	13,082.4	13,540.2	5.58%	3.50%	39,348.5	39,457.1	0.28%	52,094.0
<b>Net Interest Income (incl. sec)</b>	<b>14,121.1</b>	<b>15,852.0</b>	<b>16,323.7</b>	<b>17,094.2</b>	<b>21.05%</b>	<b>4.72%</b>	<b>41,124.9</b>	<b>49,269.9</b>	<b>19.81%</b>	<b>55,211.8</b>
Other Income	182.6	218.4	323.7	220.5	20.76%	-31.88%	518.1	762.6	47.19%	758.3
<b>Profit After Tax</b>	<b>3,459.6</b>	<b>4,486.8</b>	<b>4,791.1</b>	<b>4,956.3</b>	<b>43.26%</b>	<b>3.45%</b>	<b>11,077.1</b>	<b>14,234.2</b>	<b>28.50%</b>	<b>12,573.4</b>
EPS (Rs.)	15.25	19.78	21.11	21.85	43.28%	3.51%	48.82	62.74	28.51%	55.42
Cost to income Ratio (%)	19.54%	20.17%	20.33%	21.32%	9.11%	4.87%	21.77%	20.62%	-5.28%	21.15%
NIM (on AUM)	7.17%	7.51%	7.48%	7.48%	4.32%	0.00%	7.22%	7.49%	3.74%	7.16%

# Key Metrics – Q3 FY18

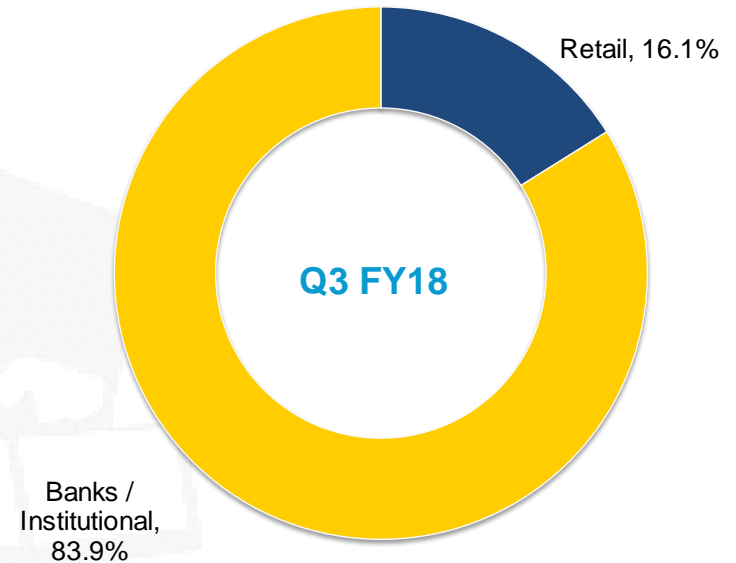
Balance Sheet Metrics (Rs. mn)	Q3 FY17	Q1 FY18	Q2 FY18	Q3 FY18	YoY (%)	QoQ (%)	9M FY17	9M FY18	YoY (%)	FY17
Networth	111,398.0	115,797.3	120,605.4	124,236.0	11.52%	3.01%	111,398.0	124,236.0	11.52%	112,921.6
Book Value (Rs.)	490.99	510.38	531.58	547.58	11.53%	3.01%	490.99	547.58	11.53%	497.71
Securitisation done	26,008	22,242	37,914	30,406	16.91%	-19.80%	76,590	90,562	18.24%	112,142
Interest Coverage (x)	2.12	2.26	2.28	2.28	7.55%	0.00%	2.06	2.27	10.19%	2.08
ROA (%)	1.92%	2.34%	2.43%	2.44%	27.08%	0.41%	2.08%	2.40%	15.38%	1.76%
ROE (%)	12.54%	15.68%	16.20%	16.19%	29.11%	-0.06%	13.80%	16.03%	16.16%	11.61%
CRAR (%)	17.55%	16.26%	16.19%	16.15%	-7.98%	-0.25%	17.55%	16.15%	-7.98%	16.94%

# Borrowing Profile as on Dec 31, 2017 vs Dec 31, 2016

Rs 511.3 bn

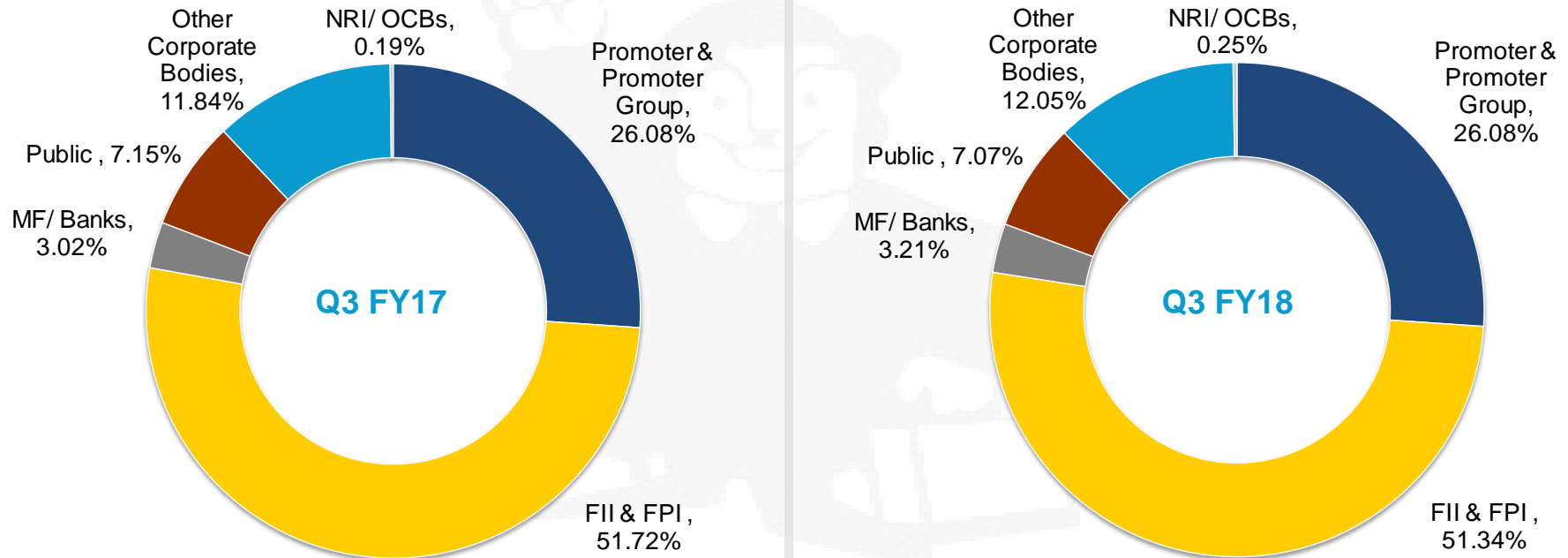


Rs 591.2 bn



# Shareholding Pattern as on Dec 31, 2017 vs Dec 31, 2016

No. of shares outstanding: 226.88 mn



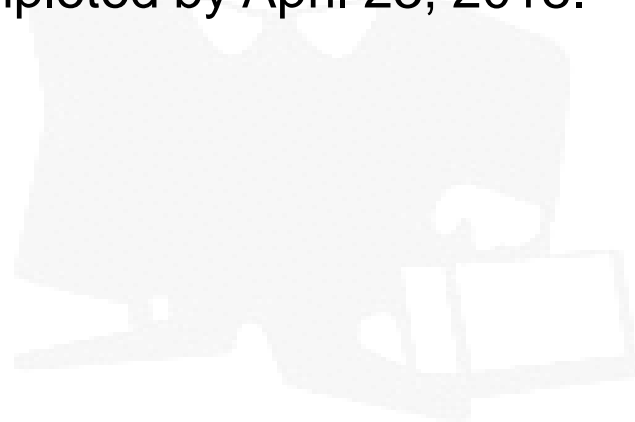
# Has Attracted Strong Interest from Quality Investors

- \* 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
Government of Singapore	5.15	2.27
Societe Generale	4.48	1.97
Abu Dhabi Investment Authority	4.04	1.78
SBI Dual Advantage Fund Series XXV	3.94	1.74
Vanguard Emerging Markets Stock Index Fund	2.94	1.30
Morgan Stanley (France) S.A.	2.69	1.19
Stichting Depository APG Emerging Markets Equity Pool	2.67	1.18
Public & Others	112.44	49.55
<b>Total</b>	<b>226.88</b>	<b>100.00</b>



As per Share Purchase Agreement dated January 24, 2018, MXC Solutions India Private Limited has agreed to acquire majority stake in Company's wholly owned subsidiary, Shriram Automall India Limited, for a consideration of Rs. 1,563.76 million. The transaction is expected to be completed by April 23, 2018.



**For any Investor Relations  
queries please contact**

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

## About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is the largest asset financing NBFC with Assets on Balance sheet of Rs. 74,884.38 crores and off Balance sheet assets of Rs. 15,134.18 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 1,121 branches, and employs 22,967 employees including 14,497 field officers. The company has built a strong customer base of approx. 1.71 mn. Over the past 38 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