



Shriram Transport Finance Company Ltd

Q3 9M FY2021 Investor Update

January 28, 2021



BUSINESS UPDATE

- * Post moratorium, the collections for the month of September 2020, October 2020, November 2020 and December 2020 were 95 %, 97%, 97% and 104% of the Demand respectively.
- * The Company invoked resolution plan to relieve COVID – 19 pandemic related stress to eligible Borrowers worth Rs. 22,670 mn, out of which as on December 31, 2020 the Company had restructured loans worth Rs. 3,096 mn. The balance is likely to be restructured in the next couple of quarters.
- * The liquidity buffer and SLR investments was Rs. 134.30 bn and Rs. 18.12 bn respectively.

Additional Expected Credit Loss (ECL) provision on Loans on account of COVID – 19

Particulars (Rs. mn)	Q4FY20	Q1 FY21	Q2 FY21	Q3FY21	9M FY21	Cumulative provision till December 31 2020
COVID – 19 provision	9,096.40	9,561.50	4,166.50	2,248.20	15,976.20	25,072.60

The above additional ECL provision is based on the Company's historical experience and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

Performance Highlights – Q3 FY21 vs Q3 FY20

Total Income	5.23% ↑	Q3 FY21	Rs 44,431.2 mn
		Q3 FY20	Rs 42,222.0 mn
Net Interest Income*	1.63% ↑	Q3 FY21	Rs 21,482.2 mn
		Q3 FY20	Rs 21,137.5 mn
PAT	17.23% ↓	Q3 FY21	Rs 7,277.2 mn
		Q3 FY20	Rs 8,791.6 mn
EPS	21.77% ↓	Q3 FY21	Rs 29.54
		Q3 FY20	Rs 37.76

* including Direct assignment Income
Rs. 77.6 Mn (Q3 FY20 Rs -16.4 Mn)

* Cost to income ratio at 22 % in Q3 FY21 as compared to 22.92% in Q3 FY20

Performance Highlights – 9M FY21 vs 9M FY20

Total Income	4.26% 	9M FY21	Rs 129,385.5 mn
		9M FY20	Rs 124,095.9 mn
Net Interest Income*	2.10% 	9M FY21	Rs 60,159.8 mn
		9M FY20	Rs 61,452.4 mn
PAT	23.97% 	9M FY21	Rs 17,323.4 mn
		9M FY20	Rs 22,784.6 mn
EPS	28.12% 	9M FY21	Rs 70.33
		9M FY20	Rs 97.85

* including Direct assignment Income
Rs. 789.0 Mn (9M FY20 Rs 132.8 Mn)

* Cost to income ratio at 20.92% in 9M FY21 as compared to 22.63% in 9M FY20

Performance Highlights – Q3 FY21 vs Q3 FY20

AUM	5.51% ↑	Q3 FY21	Rs 1,149,320.6 mn
		Q3 FY20	Rs 1,089,313.8 mn
Gross Stage 3 assets	13.01% ↓	Q3 FY21	Rs 817,04.3 mn
		Q3 FY20	Rs 93,923.5 mn
Net Stage 3 assets	24.64% ↓	Q3 FY21	Rs 48,041.6 mn
		Q3 FY20	Rs 63,747.6 mn
Book Value	5.61% ↑	Q3 FY21	Rs 827.75
		Q3 FY20	Rs 783.78

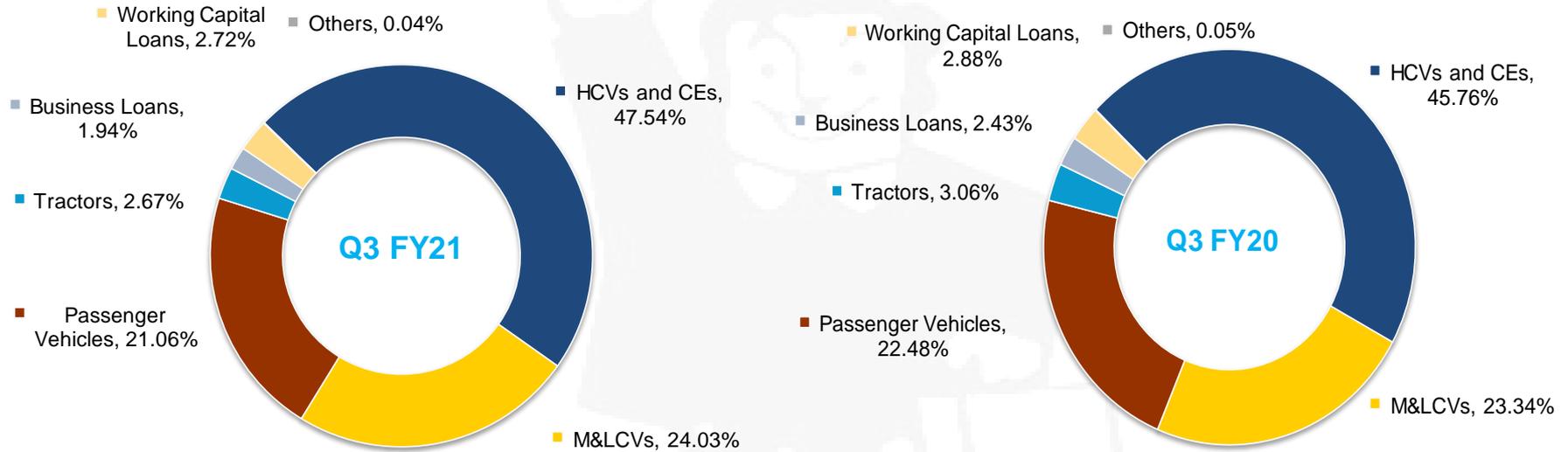
* CRAR at 23.61% as of Q3 FY21 compared to 20.68% as of Q3 FY20.

AUM Break-up

Particulars (Rs. mn)	Q3 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY (%)	QoQ (%)	9M FY20	9M FY21	YoY (%)	FY20
Loan Portfolio										
- On Books										
Balance sheet assets	8,56,784.9	8,76,987.8	8,73,031.2	9,03,375.7	5.44%	3.48%	8,56,784.9	9,03,375.7	5.44%	8,73,971.2
Securitised assets	2,18,045.1	2,28,830.4	2,44,232.1	2,32,411.1	6.59%	-4.84%	2,18,045.1	2,32,411.1	6.59%	2,11,045.9
Total On books	10,74,830.0	11,05,818.2	11,17,263.3	11,35,786.8	5.67%	1.66%	10,74,830.0	11,35,786.8	5.67%	10,85,017.1
- Off Books*	14,483.8	11,745.5	16,196.0	13,533.8	-6.56%	-16.44%	14,483.8	13,533.8	-6.56%	12,475.3
Total AUM	10,89,313.8	11,17,563.7	11,33,459.3	11,49,320.6	5.51%	1.40%	10,89,313.8	11,49,320.6	5.51%	10,97,492.4
- New	1,04,651.3	96,561.0	92,324.7	84,939.6	-18.84%	-8.00%	1,04,651.3	84,939.6	-18.84%	97,951.2
- Used	9,26,255.2	9,58,640.0	9,80,888.3	10,10,346.5	9.08%	3.00%	9,26,255.2	10,10,346.5	9.08%	9,39,489.5
- Business Loans	26,495.0	25,217.3	23,621.7	22,259.1	-15.99%	-5.77%	26,495.0	22,259.1	-15.99%	25,649.8
- Working capital loans	31,420.9	36,656.9	36,114.2	31,268.0	-0.49%	-13.42%	31,420.9	31,268.0	-0.49%	33,859.4
- Others	491.4	488.5	510.4	507.4	3.26%	-0.59%	491.4	507.4	3.26%	542.5
Total AUM	10,89,313.8	11,17,563.7	11,33,459.3	11,49,320.6	5.51%	1.40%	10,89,313.8	11,49,320.6	5.51%	10,97,492.4

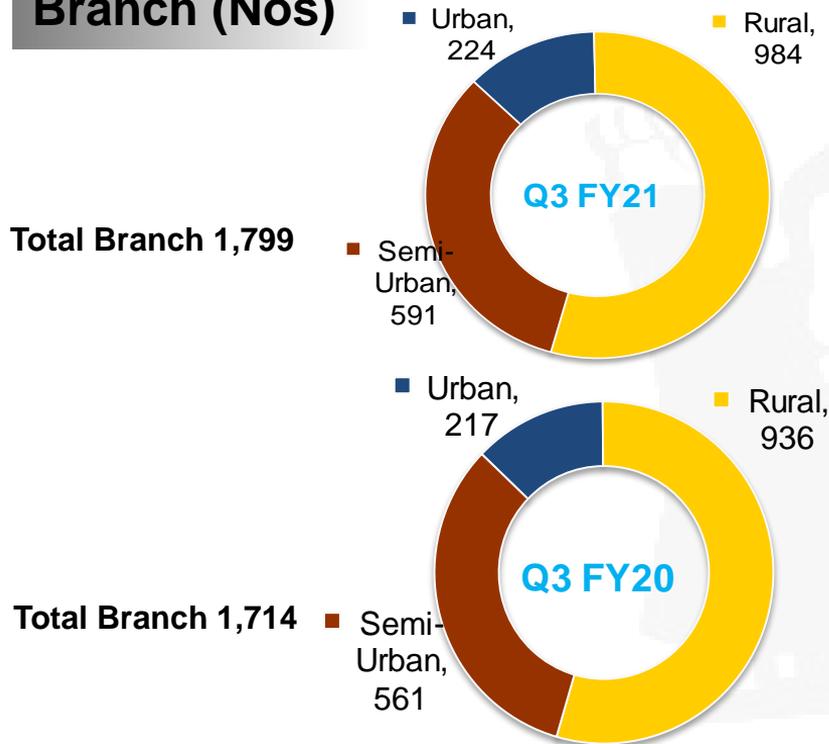
*Off Books pertains to Direct assignment portfolio

Segment-wise Break up

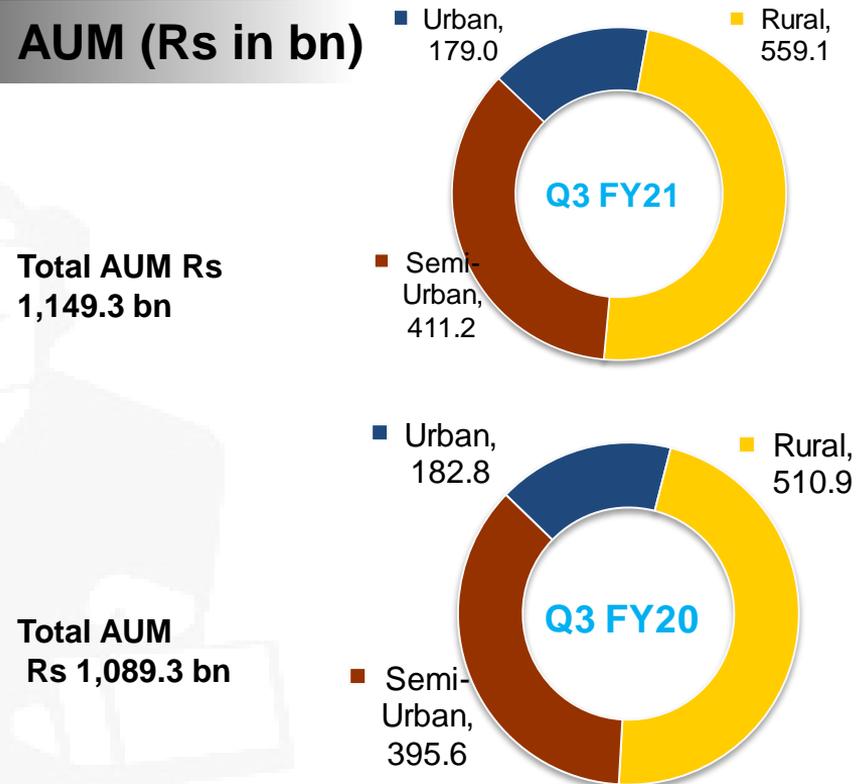


Branch & AUM distribution – Q3 FY21 vs Q3 FY20

Branch (Nos)



AUM (Rs in bn)



Urban branches represents places where population in more than 10 Lakh
 Semi-urban branches represents places where population in less between 1 Lakh to 10 Lakh
 Rural branches represents places where population in less than 1 Lakh

Provision Analysis

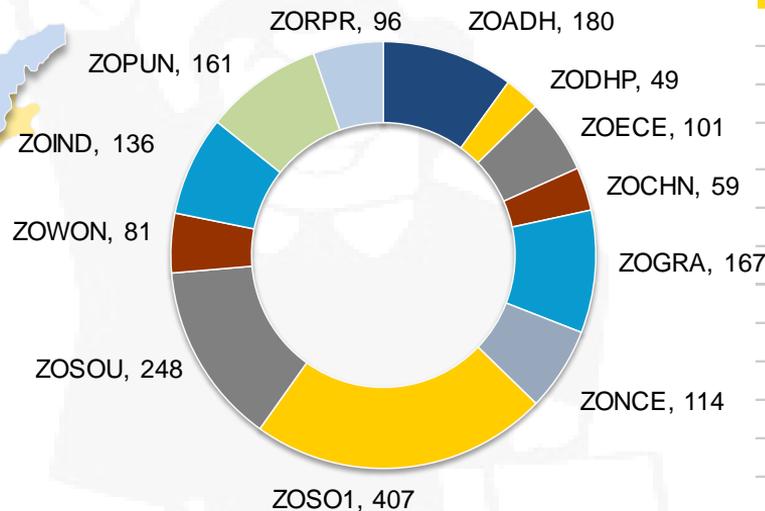
Particulars (Rs. mn)	Q3 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY (%)	QoQ (%)	9M FY20	9M FY21	YoY (%)	FY20	Q2 FY21 as per Supreme court order	Q3 FY21 as per Supreme court order
Gross Stage 3	93,923.5	89,307.5	82,171.2	81,704.3	-13.01%	-0.57%	93,923.5	81,704.3	-13.01%	91,797.1	72,656.1	61,208.0
ECL provision-Stage 3	30,175.9	34,429.1	32,630.7	33,662.8	11.56%	3.16%	30,175.9	33,662.8	11.56%	31,886.5	28,718.4	24,984.6
Net Stage 3	63,747.6	54,878.4	49,540.5	48,041.5	-24.64%	-3.03%	63,747.6	48,041.5	-24.64%	59,910.6	43,937.6	36,223.5
Gross Stage 3 (%)	8.71%	7.98%	7.26%	7.11%	-18.36%	-2.05%	8.71%	7.11%	-18.36%	8.36%	6.42%	5.33%
Net Stage 3 (%)	6.09%	5.06%	4.51%	4.31%	-29.17%	-4.43%	6.09%	4.31%	-29.17%	5.62%	3.99%	3.22%
Coverage Ratio (%) Stage 3	32.13%	38.55%	39.71%	41.20%	28.24%	3.75%	32.13%	41.20%	28.24%	34.74%	39.53%	40.82%
Gross Stage 1 & 2	9,83,849.9	10,29,274.7	10,49,026.2	10,66,650.0	8.42%	1.68%	9,83,849.9	10,66,650.0	8.42%	10,06,319.5	10,58,541.4	10,87,146.2
ECL provision-Stage 1 & 2	26,794.4	38,412.4	41,776.6	43,806.2	63.49%	4.86%	26,794.4	43,806.2	63.49%	31,433.6	45,688.8	52,484.4
Net Stage 1 & 2	9,57,055.5	9,90,862.3	10,07,249.6	10,22,843.8	6.87%	1.55%	9,57,055.5	10,22,843.8	6.87%	9,74,885.9	10,12,852.5	10,34,661.8
ECL provision (%) Stage 1 & 2	2.72%	3.73%	3.98%	4.11%	50.80%	3.13%	2.72%	4.11%	50.80%	3.12%	4.32%	4.83%

Well-entrenched Pan India Network

Zonal Split of Branches

ABBREVIATIONS

Zone	Zone Name
ZOADH	HYDERABAD ZONE
ZODHP	DELHI ZONE
ZOECE	RANCHI ZONE
ZOCHN	CHANDIGARH ZONE
ZOGRA	AHMEDABAD ZONE
ZONCE	LUCKNOW ZONE
ZOSO1	CHENNAI ZONE
ZOSOU	BANGALORE ZONE
ZOWON	KOLKATA ZONE
ZOIND	INDORE ZONE
ZOPUN	PUNE ZONE
ZORPR	RAIPUR ZONE



1,799

Branch
Offices

2.10mn

Customers

24,670

Employees

19,179

Business Team

500

Private
Financiers

808

Rural
Centres

Branch Network

P&L Statement

Particulars (Rs. mn)	Q3 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY (%)	QoQ (%)	9M FY20	9M FY21	YoY (%)	FY20
Interest income	41,912.7	41,273.6	43,271.1	44,125.5	5.28%	1.97%	1,23,386.0	1,28,670.2	4.28%	1,64,773.1
Interest expended	20,775.2	22,848.2	23,018.9	22,643.3	8.99%	-1.63%	61,933.6	68,510.4	10.62%	83,703.3
Net interest income	21,137.5	18,425.4	20,252.2	21,482.2	1.63%	6.07%	61,452.4	60,159.8	-2.10%	81,069.8
Other Operating Income	-	-	-	-	-	-	-	-	0.00%	-58.8
Operating income	21,137.5	18,425.4	20,252.2	21,482.2	1.63%	6.07%	61,452.4	60,159.8	-2.10%	81,011.0
Operating expenditure	5,126.6	3,630.8	4,714.5	5,079.5	-0.92%	7.74%	14,512.1	13,424.8	-7.49%	19,670.5
Core operating profit *	16,010.9	14,794.6	15,537.7	16,402.7	2.45%	5.57%	46,940.3	46,735.0	-0.44%	61,340.5
Other income	296.2	157.1	221.1	234.4	-20.86%	6.02%	669.6	612.6	-8.51%	995.0
Operating profit	16,307.1	14,951.7	15,758.8	16,637.1	2.02%	5.57%	47,609.9	47,347.6	-0.55%	62,335.5
Loan Losses & Provisions	4,443.9	10,645.9	6,554.6	6,747.1	51.83%	2.94%	16,662.2	23,947.6	43.72%	27,948.8
Profit before tax	11,863.2	4,305.8	9,204.2	9,890.0	-16.63%	7.45%	30,947.7	23,400.0	-24.39%	34,386.7
Tax Expense	3,071.6	1,105.2	2,358.6	2,612.8	-14.94%	10.78%	8,163.1	6,076.6	-25.56%	9,368.3
Profit after tax	8,791.6	3,200.6	6,845.6	7,277.2	-17.23%	6.30%	22,784.6	17,323.4	-23.97%	25,018.4
Other comprehensive Income (Net)	5.5	-1,914.5	210.0	594.0	10700.00%	182.86%	-38.8	-1,110.5	2762.11%	-47.4
Total Comprehensive Income	8,797.1	1,286.1	7,055.6	7,871.2	-10.53%	11.56%	22,745.8	16,212.9	-28.72%	24,971.0
EPS (Rs)	37.76	12.99	27.79	29.54	-21.77%	6.30%	97.85	70.33	-28.12%	107.44
Tier I CRAR %	16.82%	18.34%	20.12%	20.51%	21.91%	1.91%	16.82%	20.51%	21.95%	18.13%
Tier II CRAR %	3.86%	3.59%	3.32%	3.10%	-19.68%	-6.62%	3.86%	3.10%	-19.68%	3.86%
Total CRAR %	20.68%	21.93%	23.44%	23.61%	14.15%	0.71%	20.68%	23.61%	14.18%	21.99%
Book Value (Rs)	783.78	799.26	802.66	827.75	5.61%	3.13%	783.78	827.75	5.61%	793.59

*Before Provisions & Contingencies

Balance Sheet

Particulars (Rs. mn)	Dec-19	Jun-20	Sep-20	Dec-20	YoY (%)	QoQ (%)	Mar-20
I. ASSETS							
Financial Assets							
Cash and cash equivalents	9,653.1	32,865.8	29,250.8	37,983.0	293.48%	29.85%	30,889.9
Bank Balance other than above	40,396.0	39,932.7	63,006.2	46,942.9	16.21%	-25.49%	42,259.3
Derivative financial instruments	2,455.6	5,177.7	2,431.9	1,512.8	-38.39%	-37.79%	7,587.3
Receivables							
(I) Trade Receivables	181.4	48.0	61.1	61.0	-66.37%	-0.16%	105.0
(II) Other Receivables	28.0	18.5	810.2	670.2	2293.57%	-17.28%	56.4
Loans	10,17,956.9	10,34,011.6	10,43,394.5	10,58,810.8	4.01%	1.48%	10,22,316.3
Investments	28,229.2	28,328.8	29,762.7	29,037.6	2.86%	-2.44%	27,984.8
Other-financial assets	353.1	380.0	378.4	2,749.0	678.53%	626.48%	387.0
Non Financial assets							
Current tax assets (net)	2,009.6	2,491.0	2,491.0	3,397.1	69.04%	36.37%	2,491.0
Deferred tax assets (net)	177.6	1,452.7	1,291.1	1,115.5	528.10%	-13.60%	625.0
Investment Property	20.5	20.2	20.1	20.0	-2.44%	-0.50%	20.3
Property, plant and equipment	1,466.1	1,403.8	1,323.5	1,259.9	-14.06%	-4.81%	1,498.8
Right-of-use assets	3,427.2	3,131.8	3,028.3	3,218.5	-6.09%	6.28%	3,342.9
Other Intangible assets	21.0	24.2	23.0	22.4	6.67%	-2.61%	26.7
Other non-financial assets	1,561.6	1,839.8	1,955.4	1,957.9	25.38%	0.13%	1,695.7
Total	11,07,936.9	11,51,126.6	11,79,228.2	11,88,758.6	7.29%	0.81%	11,41,286.4

Balance Sheet (Continued)

Particulars (Rs. mn)	Dec-19	Mar-20	Sep-20	Dec-20	YoY (%)	QoQ (%)	Mar-20
II. Liabilities and Equity							
Financial Liabilities							
Derivative financial instruments	-	-	-	-	0.00%	0.00%	-
Payables	1,742.1	1,129.8	1,244.4	1,565.6	-10.13%	25.81%	1,449.7
Debt Securities	3,06,524.4	3,38,829.9	3,25,170.8	3,28,732.1	7.25%	1.10%	3,42,669.6
Borrowings (other than debt securities)	4,28,217.9	4,44,360.6	4,57,796.9	4,43,544.8	3.58%	-3.11%	4,24,746.0
Deposits	1,20,277.2	1,20,565.4	1,29,167.1	1,43,353.6	19.19%	10.98%	1,19,601.2
Subordinated Liabilities	60,143.2	48,824.9	46,871.1	46,966.7	-21.91%	0.20%	56,700.7
Other financial liabilities	6,849.1	9,244.5	9,130.2	8,698.2	27.00%	-4.73%	9,123.2
Lease liabilities	3,665.2	3,454.5	3,405.1	3,613.2	-1.42%	6.11%	3,628.1
Non-financial Liabilities							
Current tax liabilities (net)	1,024.8	1,536.5	1,525.4	1,020.2	-0.45%	-33.12%	1,020.2
Provisions	1,401.4	1,543.8	1,490.3	1,490.8	6.38%	0.03%	1,463.3
Other non-financial liabilities	265.2	299.0	303.4	300.9	13.46%	-0.82%	832.8
Equity							
Equity share capital	2,268.8	2,268.8	2,530.6	2,530.6	11.54%	0.00%	2,268.8
Other equity	1,75,557.6	1,79,068.9	2,00,592.9	2,06,941.9	17.88%	3.17%	1,77,782.8
Total	11,07,936.9	11,51,126.6	11,79,228.2	11,88,758.6	7.29%	0.81%	11,41,286.4

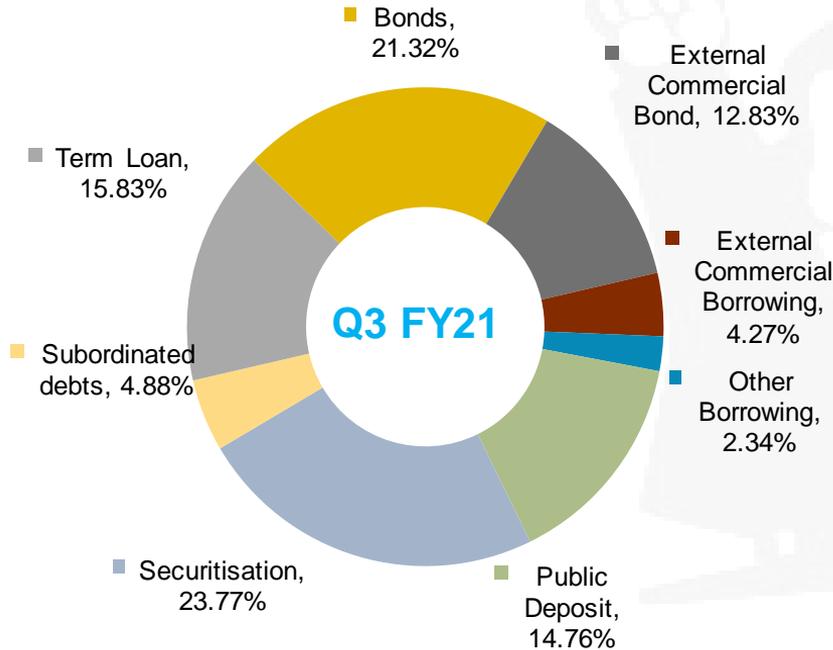
Key Metrics – Q3 FY21

P&L Metrics (Rs. mn)	Q3 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY (%)	QoQ (%)	9M FY20	9M FY21	YoY (%)	FY20
Interest Income	41,912.7	41,273.6	43,271.1	44,125.5	5.28%	1.97%	1,23,386.0	1,28,670.2	4.28%	1,64,773.1
Less: Interest Expenses	20,775.2	22,848.2	23,018.9	22,643.3	8.99%	-1.63%	61,933.6	68,510.4	10.62%	83,703.3
Net Interest Income	21,137.5	18,425.4	20,252.2	21,482.2	1.63%	6.07%	61,452.4	60,159.8	-2.10%	81,069.8
Other Operating Income & Other Income	296.2	157.1	221.1	234.4	-20.86%	6.02%	669.6	612.6	-8.51%	936.2
Profit After Tax	8,791.6	3,200.6	6,845.6	7,277.2	-17.23%	6.30%	22,784.6	17,323.4	-23.97%	25,018.4
EPS (Rs.)	37.76	12.99	27.79	29.54	-21.77%	6.30%	97.85	70.33	-28.12%	107.44
Cost to income Ratio (%)	22.92%	18.67%	21.83%	22.00%	-4.01%	0.79%	22.63%	20.92%	-7.53%	23.31%
NIM (on AUM)	7.34%	6.42%	6.66%	6.88%	-6.28%	3.28%	7.27%	6.66%	-8.39%	7.16%

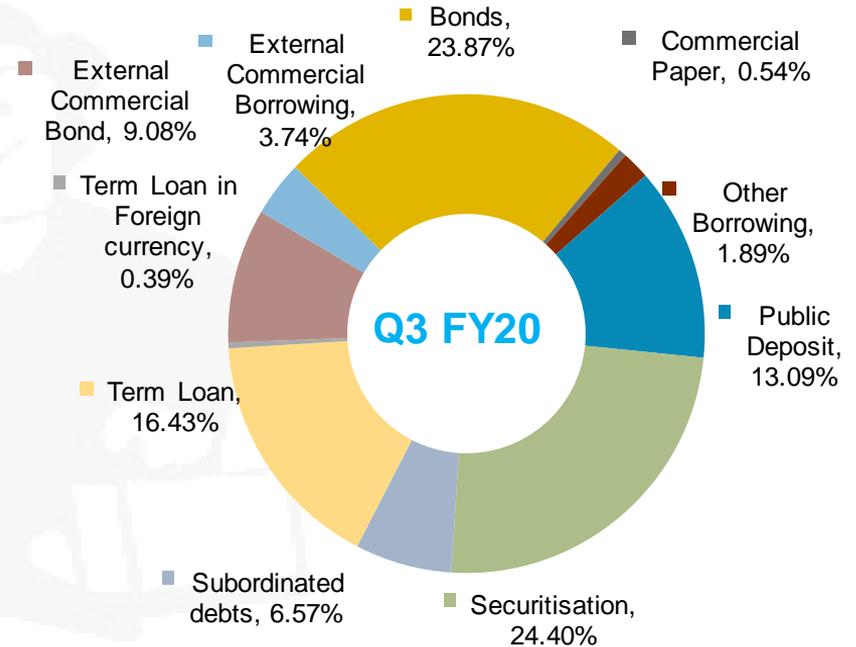
Balance Sheet Metrics (Rs. mn)	Q3 FY20	Q1 FY21	Q2 FY21	Q3 FY21	YoY (%)	QoQ (%)	9M FY20	9M FY21	YoY (%)	FY20
Networth	1,77,550.0	1,81,061.3	2,02,847.1	2,09,196.1	17.82%	3.13%	1,77,550.0	2,09,196.1	17.82%	1,79,775.2
Book Value (Rs.)	783.78	799.26	802.66	827.75	5.61%	3.13%	783.78	827.75	5.61%	793.59
Interest Coverage (x)	2.03	1.81	1.89	1.96	-3.45%	3.70%	2.00	1.89	-5.50%	1.98
ROA (%)	3.05%	1.06%	2.22%	2.32%	-23.95%	4.52%	2.66%	1.87%	-29.70%	2.17%
ROE (%)	20.20%	7.09%	14.24%	14.11%	-30.14%	-0.94%	18.18%	11.96%	-34.20%	14.71%
CRAR (%)	20.68%	21.93%	23.44%	23.61%	14.15%	0.71%	20.68%	23.61%	14.18%	21.99%

Borrowing Profile as on December 31, 2020 vs December 31, 2019

Rs 962.60 bn

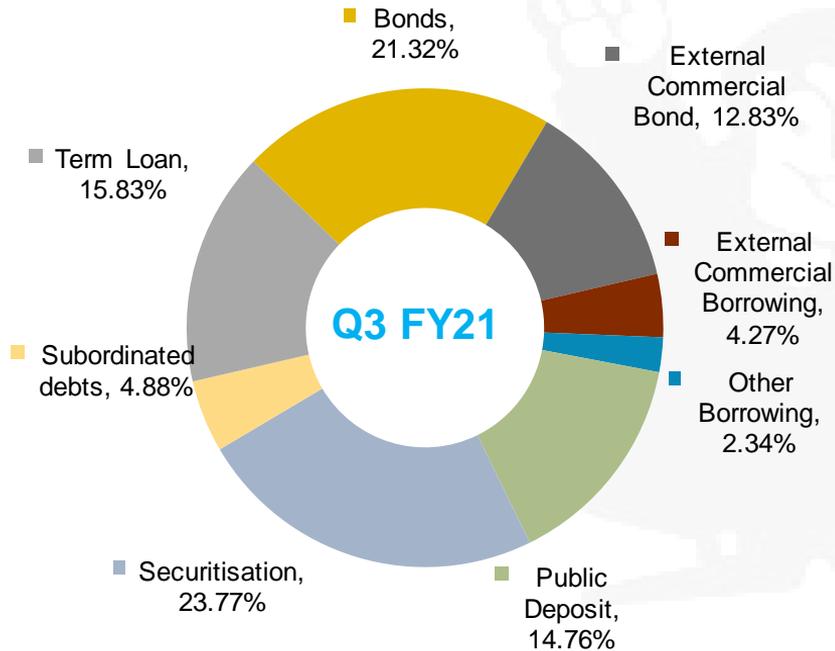


Rs 915.16 bn

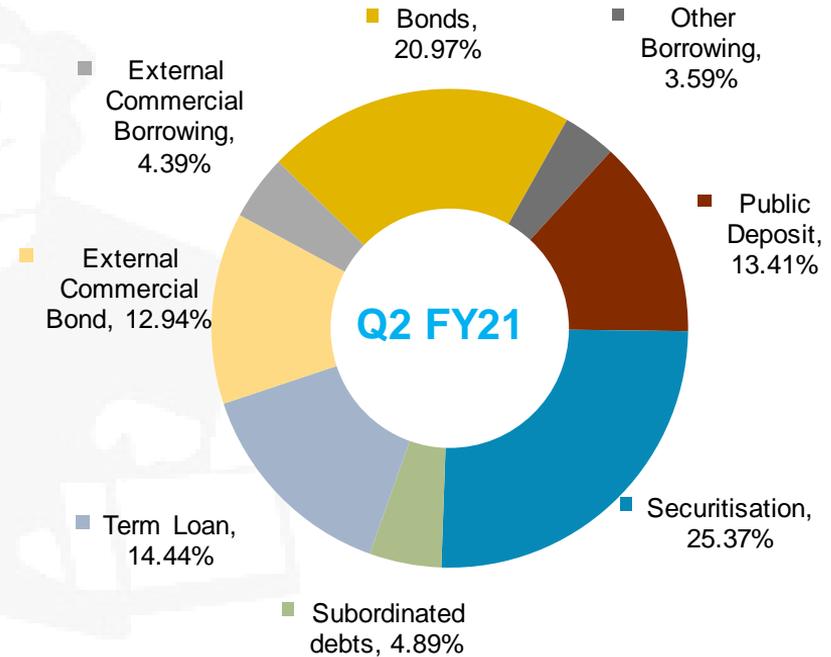


Borrowing Profile as on December 31, 2020 vs September 30, 2020

Rs 962.60 bn



Rs 959.01 bn



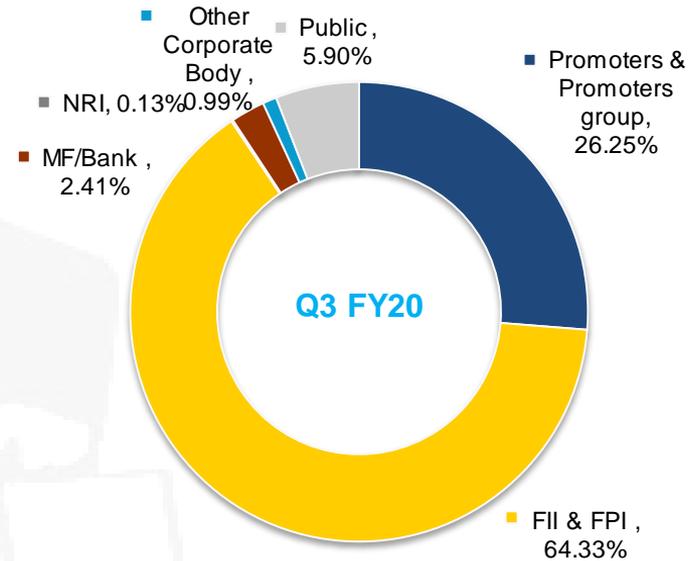
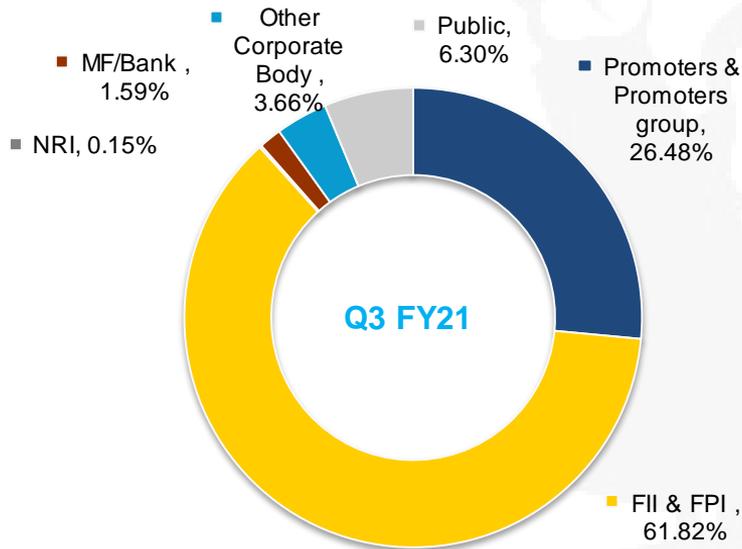
ALM statement on December 31, 2020

Particulars (Rs. Bn)	One month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 to 5 years	Over 5 years	Total
Total Outflows	33.65	24.54	46.15	95.59	173.07	463.68	109.94	264.98	1,211.60
Total Inflows	83.71	36.21	49.07	105.07	185.90	513.20	169.14	47.66	1,189.96
Mismatch	50.06	11.67	2.92	9.48	12.83	49.52	59.20	(217.32)	(21.64)
Cumulative mismatch	50.06	61.73	64.65	74.13	86.96	136.48	195.68	(21.64)	

Shareholding Pattern as on December 31, 2020 vs December 31, 2019

No. of shares outstanding: 253.06 mn

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 two fund raising :
 1. On August 06, 2020, allotted 26.179 mn equity shares of face value of Rs. 10/- each (“Rights Equity Shares”) aggregating to Rs. 14.92 bn to the eligible equity shareholders for cash at a price of Rs. 570/- per Rights Equity Share (including a premium of Rs. 560/- per rights equity share) in the ratio of 3 rights equity shares for every 26 equity shares held by the eligible equity shareholders on the record date i.e. July 10, 2020.
 2. On January 28, 2010, allotted 11.658 mn equity shares at Rs. 500.80 per equity share to Qualified Institutional Buyers (QIB) for an aggregate sum of Rs. 5.84 bn to 45 marquee global as well as domestic funds and insurers, which included 22 existing investors and the rest, new investors.

Key Shareholders	Current Shareholding (Mn Shares)	%
Shriram Capital Limited	66.96	26.46
Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	12.46	4.92
Sanlam Life Insurance Limited	7.54	2.98
Life Insurance Corporation of India	6.82	2.70
Government Pension Fund Global	5.63	2.22
J P Morgan Funds	4.60	1.82
Wishbone Fund Ltd.	4.38	1.73
T. Rowe Price International Value Equity Fund	4.35	1.72
T. Rowe Price New Asia Fund	3.37	1.33
Vanguard Total International Stock Index Fund	2.71	1.07
Public & Others	134.24	53.05
Total	253.06	100.00

**For any Investor Relations
queries please contact**

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

About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is one of the largest asset financing NBFs in India with Assets on Balance sheet of Rs. 114,932 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 1,799 branches, and employs 24,670 employees including 19,179 Business team. The company has built a strong customer base of approx. 2.10 mn. Over the past 41 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

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.



A WINNING RELATIONSHIP

Thank You