



SHRIRAM TRANSPORT FINANCE COMPANY LTD

DECEMBER 2012

Contents

- 01** Company Snapshot
- 02** Business Analysis
- 03** Recent Performance
- 04** Industry Opportunity
- 05** Annexures



01

COMPANY SNAPSHOT

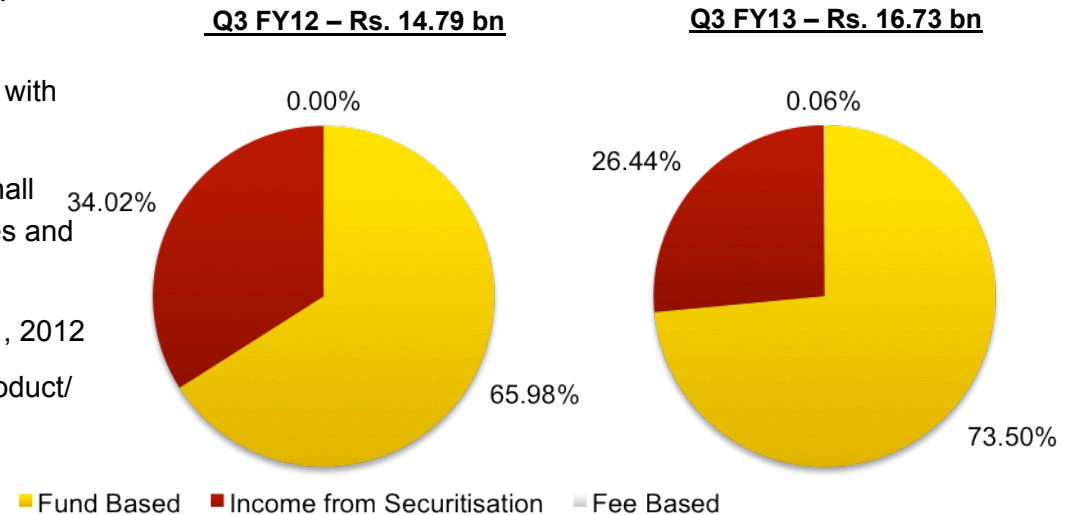


Market Leader in High-Yield Pre-Owned CV Financing



- ❑ **Shriram Transport Finance Company Limited (STFC) is one of the largest asset financing NBFC** with approximately 25% market share in pre-owned and approximately 6-7% market share in new truck financing
- ❑ **Strategically present in high yield - pre-owned CV financing** with expertise in loan origination, valuation and collection
- ❑ **Expanded product portfolio** to include financing of tractors, small commercial vehicles, 3-wheelers, passenger commercial vehicles and construction equipment
- ❑ **Large customer base** in excess of 0.90 mn as of December 31, 2012
- ❑ **Employee strength** of approximately 14,936 including 8,877 product/credit executives as of December 31, 2012
- ❑ **Listed on the National Stock Exchange and Bombay Stock Exchange** with a market capitalisation of over Rs. 170 bn
- ❑ **Equity investment** from reputed private equity and institutional investors including TPG

Operating Revenue Break Up



Large Assets Under Management (as on December 31, 2012)

- ❑ Total Assets Under Management (AUM) of Rs. 465.45 bn
 - Pre-Owned CV: Approximately Rs. 367.77 bn
 - New CV: Approximately Rs.95.32bn
 - Others: Approximately Rs.2.35 bn

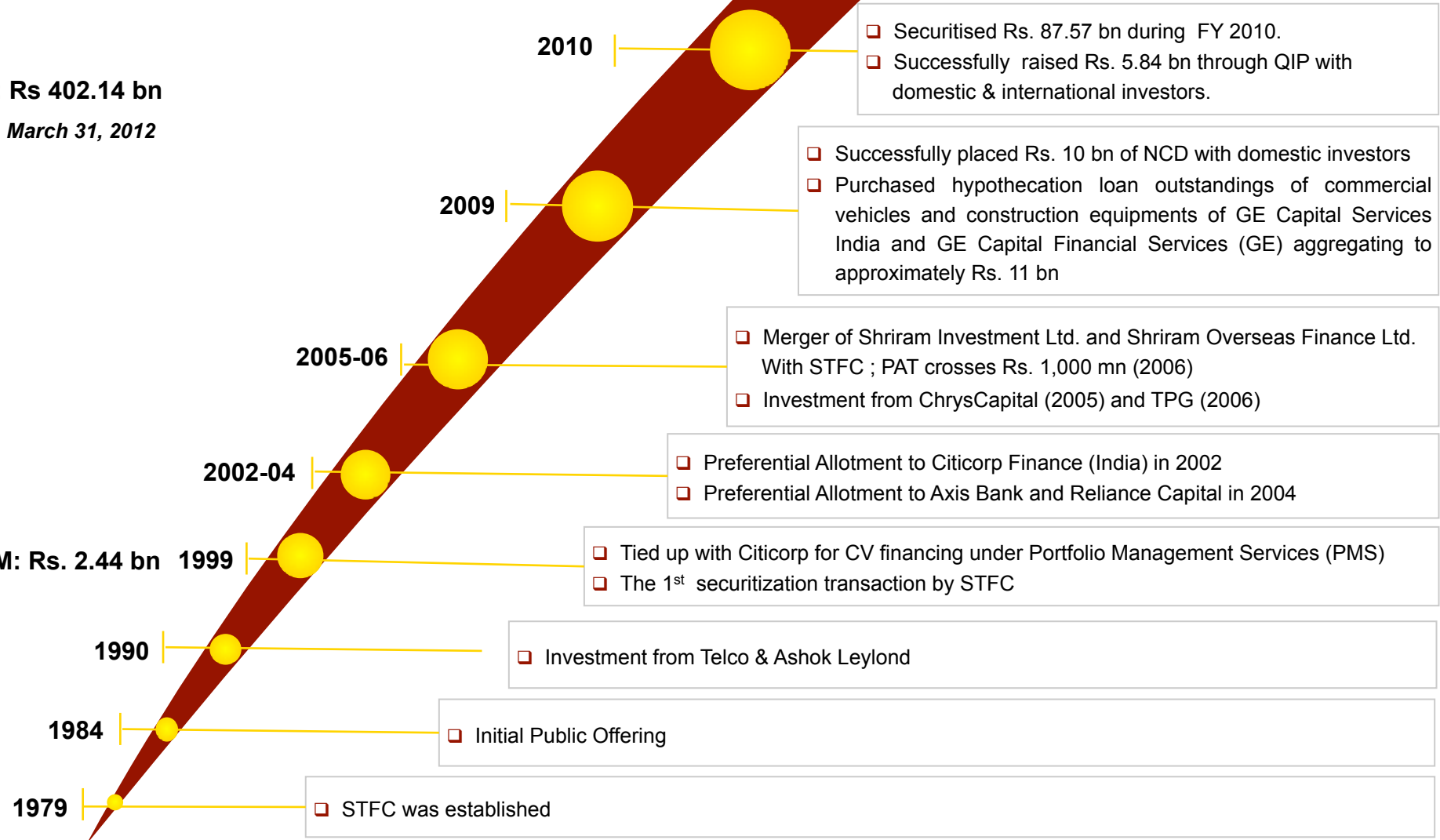
Extensive Distribution Network

- ❑ Pan-India presence through a network of
 - 530 branch offices
- ❑ Partnership with over 500 Private Financiers

Corporate History



AUM: Rs 402.14 bn
As of March 31, 2012



Unique Business Model



CV Financing Business Model

Pre Owned (5-12 Years Old CVs)

New

Owned Funds

Average core lending business yields 18-24%

Owned Funds

Average core lending business yields 15-16%

Target Segment

❑ Small truck owners (less than 2-3 trucks) with underdeveloped banking habits

❑ Existing customer base upgrading to new trucks

Market Share

❑ Leadership position with a market share of 25-27%

❑ 7-8%

Performance

❑ AUM of approximately Rs. 367.77 bn at the end of Q3 FY13

❑ AUM of approximately Rs. 95.32 bn at the end of Q3 FY13

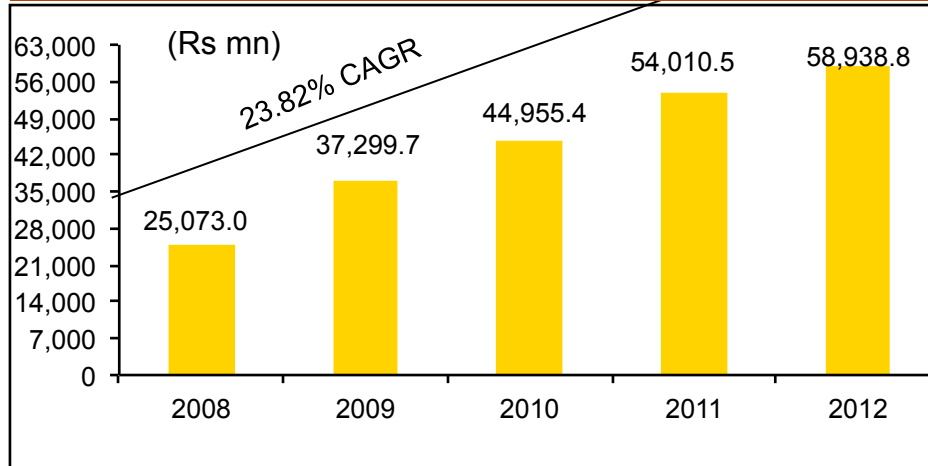
Vehicles sold during FY07-12

	FY07	FY08	FY09	FY10	FY11	FY12
LCV	275,600	215,912	200,699	287,777	361,846	460,831
MHCV	247,040	274,582	183,495	244,944	323,059	348,701
Total	522,640	490,494	384,194	532,721	684,905	809,532

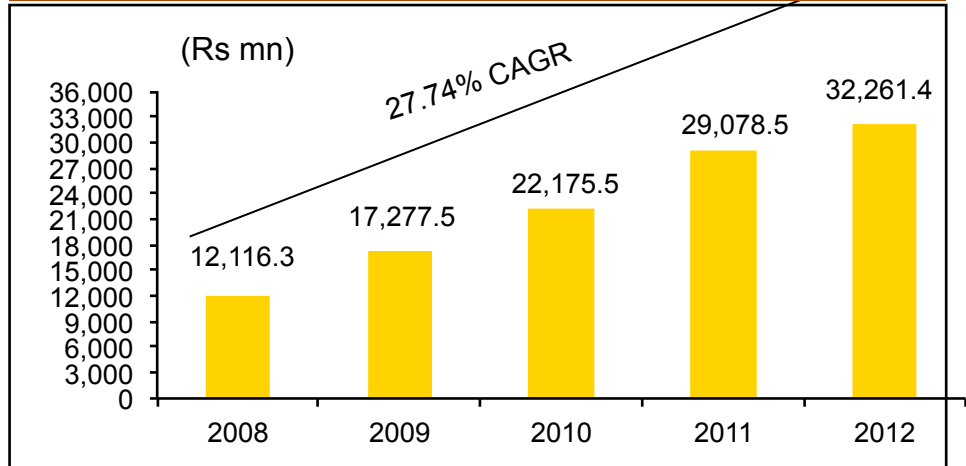
With a Strong Financial Track Record



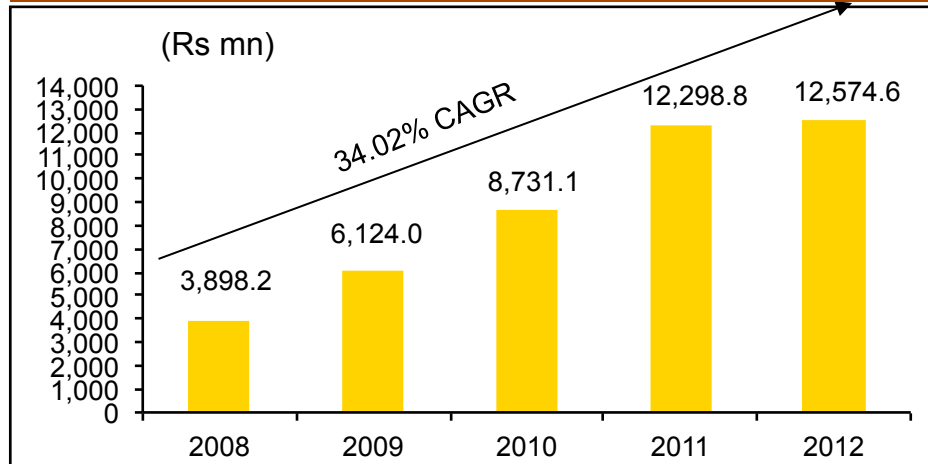
Total Income



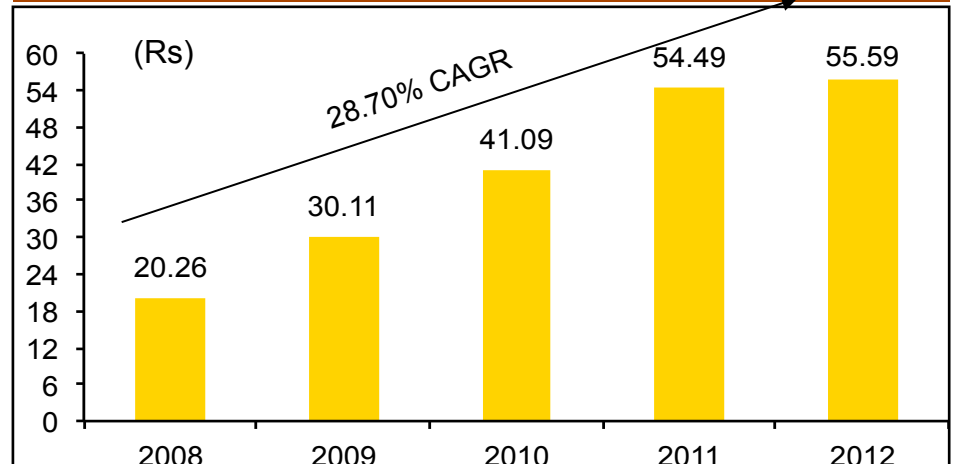
Net Interest Income



Net Profit



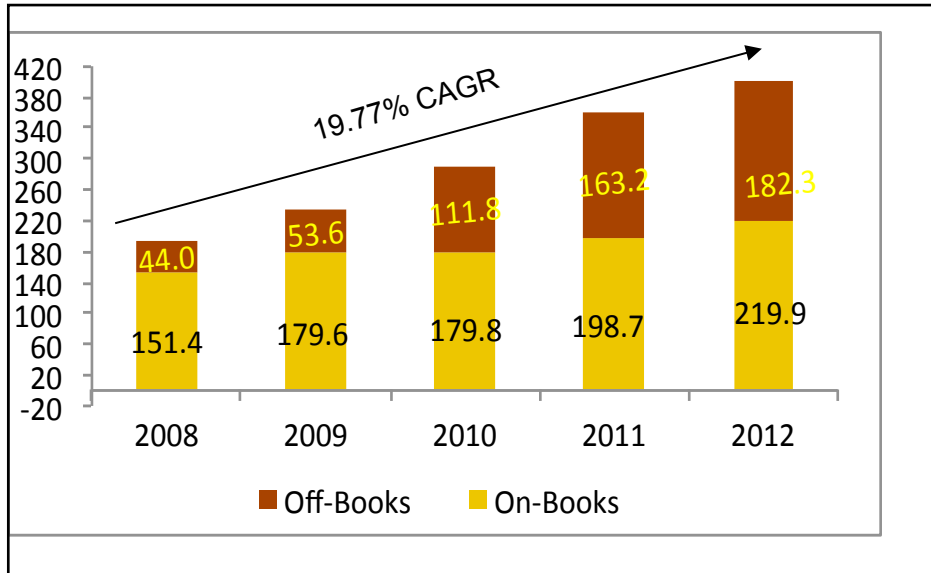
EPS



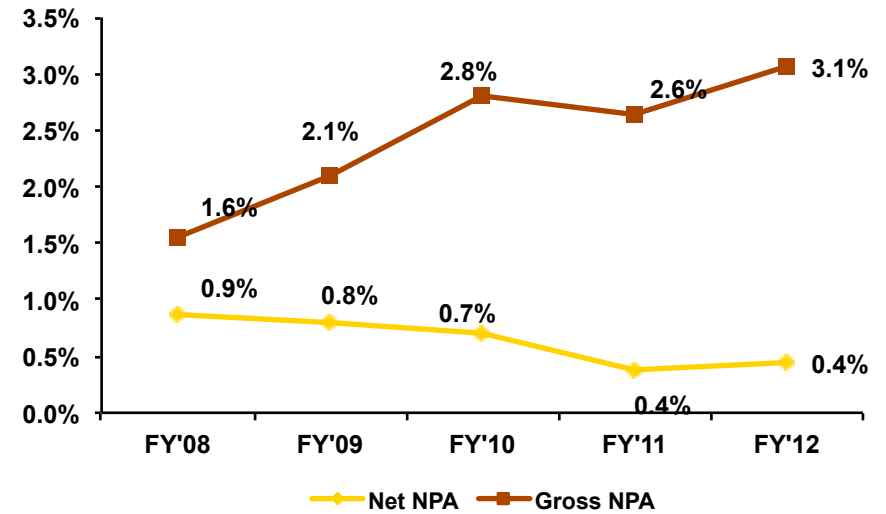
Driven by Fast Growth in AUM with Low NPAs



AUM (Rs bn)



NPA Levels





02

BUSINESS ANALYSIS



Strengths



1

Widespread Geographical Reach

2

Valuation Skills & Recovery/Collection Operation

3

Strong Balance Sheet

4

Strong Management Team

5

Organizational Structure: Credit Risk Focus

6

Strengthening Presence and Expanding Reach

Geographical Reach & Proximity to the Customer



Branch Locations Across India

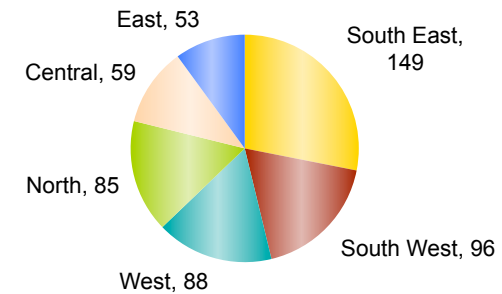


States with STFC Presence

Pan-India Presence

530 Branch Offices
Tie up with **Over 500** Private Financiers
14,936 Employee including **8,877** Field Officers

Regional Split of Branches



As on December 31, 2012

2

Valuation Skills & Recovery/Collection Operation: Leveraging on Relationships



Valuation Skills:

- Considerable expertise in valuation of pre-owned trucks
- Valuation skills is critical to succeed in this space given that the amount of loan, EMI and a truck operator's ability to repay rests on the value of the truck

Knowledge driven valuation model

Vehicle Assessment

60%-70% Loan-to-Value Ratio – Old CVs
75%-85% Loan to Value Ratio – New CVs

Recovery/Collection Operation:

- Due to underdeveloped banking habits of small truck operators, a large part of monthly collections is in the form of cash
- Compulsory monthly visits to borrowers by field officers help in managing large cash collections
- Continuous monitoring of disbursed loans

In-house Administered Loan Recovery

Field Officers

Vast Customer Base

Knowledge & Relationship based Recovery Procedure

Experience in credit appraisal & recovery/collection operations has lead STFC to become one of the leading organized players in the sector

3

Healthy Asset Quality



Prudent Credit Norms

- ❑ Substituted formal credit evaluation tools, such as IT returns and bank statements, with personal understanding of the customers' proposed business model
- ❑ Client and truck-wise exposure limits

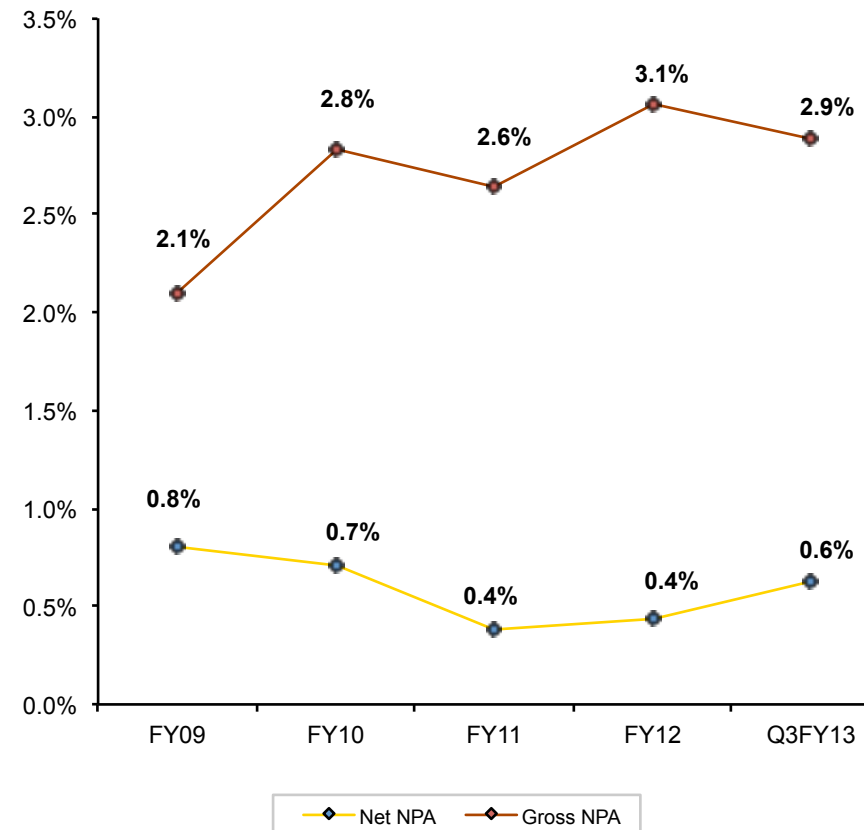
Reasons for Low Delinquency

- ❑ Asset backed lending with adequate cover
- ❑ Assets are easy to repossess with immediate liquidity
- ❑ Target segment generally operates on state highways and short distances, ferrying essential commodities

Incentive Schemes

- ❑ Well-defined incentive plan for field officers to ensure low default rates
- ❑ Field officers are responsible for recovery of loans they originate

NPA Levels



Over 78% coverage between Gross/Net NPA as on December 31, 2012

3

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
- ❑ Capital Adequacy ratio as of December 31, 2012 : 19.16 %

Key Shareholders*	Current Shareholding (Mn Shares)	% age
Shriram Capital	58.50	25.79
NewBridge India Investments	45.99	20.28
Genesis Indian Investment Company	13.93	6.14
Ontario Teachers	8.91	3.93
Stiching Pensioenfonds ABP	5.12	2.26
Merril Lynch Capital Market	3.17	1.40
Equinox Partners	3.08	1.36
Vanguard Emerging Market	2.34	1.03
Public & Others	85.82	37.81
Total	226.86	100.00

*As on December 31, 2012

Large Investments by major Institutional and Private Equity Investors

3 Optimized Balance Sheet : Access to Low Cost Funds



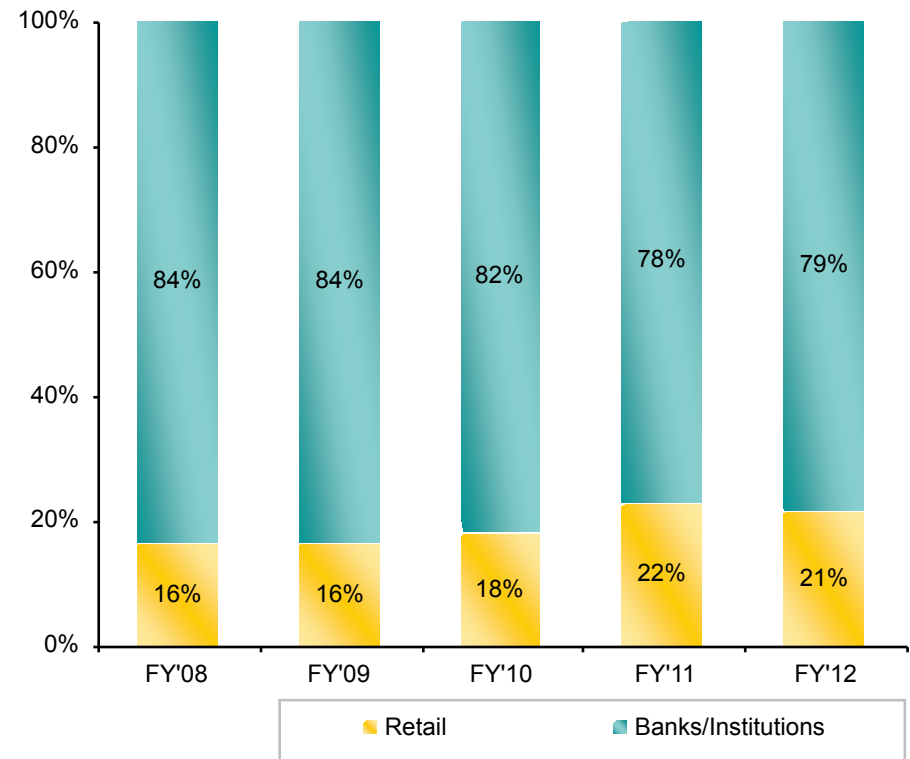
Borrowings

- ❑ Strategic mix of retail deposits and institutional funding
- ❑ Average cost of funds declined over the years with increase in Bank/ Institutions liabilities
- ❑ Access to fixed rate long term loans of 3 - 5 years due to strong relationships with public, private sector, foreign banks and institutions

Securitization

- ❑ Securitization of loan book at regular intervals to fund new originations and maintain growth momentum.
- ❑ Securitized assets portfolio stands at Rs. 154.60 bn at the end of Q3 FY12
- ❑ Conservative recognition of income on account of amortization of securitization income over the tenor of the agreements

Improved Funding Mix as % of Overall Liabilities



Credit Ratings

Long term rating: AA+ from CARE & AA from CRISIL

Highest short term rating: F1+ from Fitch & P1+ from CRISIL

4

Strong Management Team



R. Sridhar
*Managing Director
Shriram Capital*

- ❑ Over two decades of experience in financial services sector, especially in commercial vehicle financing
- ❑ Joined Shriram Group in 1985 and is serving as the Managing Director since September 2000
- ❑ Elevated as Managing Director of Shriram Capital w.e.f 01/04/2012
- ❑ Fellow member of the Institute of Chartered Accountants of India

Umesh Revenkar
Managing Director

- ❑ Joined as an Executive Trainee in 1987 and looks after operations of the CV finance business
- ❑ Holds a degree in MBA Finance

Vinay Kelkar
*Deputy Managing
Director*

- ❑ Over 27 years experience and 15 years of experience in finance industry
- ❑ Joined in 1995 and now heads the Compliance and Accounts function, a qualified Chartered Accountant & Cost Accountant

Parag Sharma
*Executive Director &
CFO*

- ❑ Over 19 years experience in finance industry
- ❑ Joined in 1992 and now heads the Finance function, a qualified Cost Accountant

S. Sunder
*Executive Director –
Accounts & Admn.*

- ❑ Over 19 years experience in finance industry
- ❑ Joined in 1995 and now heads the Accounts and Administration function, a qualified Cost Accountant

Sanjay K Mundra
*Vice President –
Investor and Media
Relations*

- ❑ Over 19 years experience in the finance Industry
- ❑ Joined in 2007, a qualified Company Secretary

4

Board of Directors



Arun Duggal
Chairman

- ❑ Experienced International Corporate Business Advisor on financial strategy, M&A and capital raising
- ❑ Held important positions in Bank of America during his 26 years' tenure at various locations
- ❑ Presently, Director on board of Jubilant Energy Ltd., Patni Computers, Fidelity Fund Management, InfoEdge, LNG Petronet, Dish TV India, Hertz (India), Shriram Properties, Shriram City Union Finance , Shriram EPC Ltd. etc

Umesh Revenkar
Managing Director

- ❑ Joined as an Executive Trainee in 1987 and looks after operations of the CV finance business
- ❑ Holds a degree in MBA Finance

R Sridhar
Director

- ❑ Over two decades of experience in financial services sector, especially in commercial vehicle financing
- ❑ Joined Shriram Group in 1985 and is serving as the Managing Director since September 2000
- ❑ Holds directorship in other Shriram Group companies
- ❑ Fellow member of the Institute of Chartered Accountants of India

Amitabh chaudhry
Director

- ❑ Over two decades of experience in financial services, MBA from IIM Ahmedabad & B. Tech from BIT, Pilani
- ❑ Holds directorship in HDFC Standard Life Insurance Co. Ltd. & HDFC Life pension Fund management Co. Ltd. & Manipal Universal Learning Pvt. Ltd.

Mayashankar Verma
Director

- ❑ Former Chairman of State Bank of India, with nearly five decades of experience in Indian financial sector
- ❑ Held various critical positions as Advisor to RBI, Chairman IDBI Bank and Chairman TRAI

4

Board of Directors (Contd.)



Mrs Kishori Udeshi
Director

- ❑ Holds degree in MA in Economics. First women Deputy Governor of RBI and also on the Board of SEBI, NABARD & EXIM Bank.
- ❑ Holds directorship in HSBC Asset Management, ION Exchange (India) Ltd., HALDYN Glass Ltd etc.

Puneet Bhatia
Director

- ❑ Partner of TPG Capital and country Head – India for TPG’ s Asian Business
- ❑ Former Chief executive of the Private Equity Group for GE Capital India
- ❑ Holds a degree in Commerce and an MBA from IIM, Calcutta

**Subramanian
Lakshminarayanan**
Director

- ❑ Member of Indian Administrative Services (IAS – retired)
- ❑ Served at senior positions in the Ministry of Home Affairs, Ministry of Communication & IT etc.

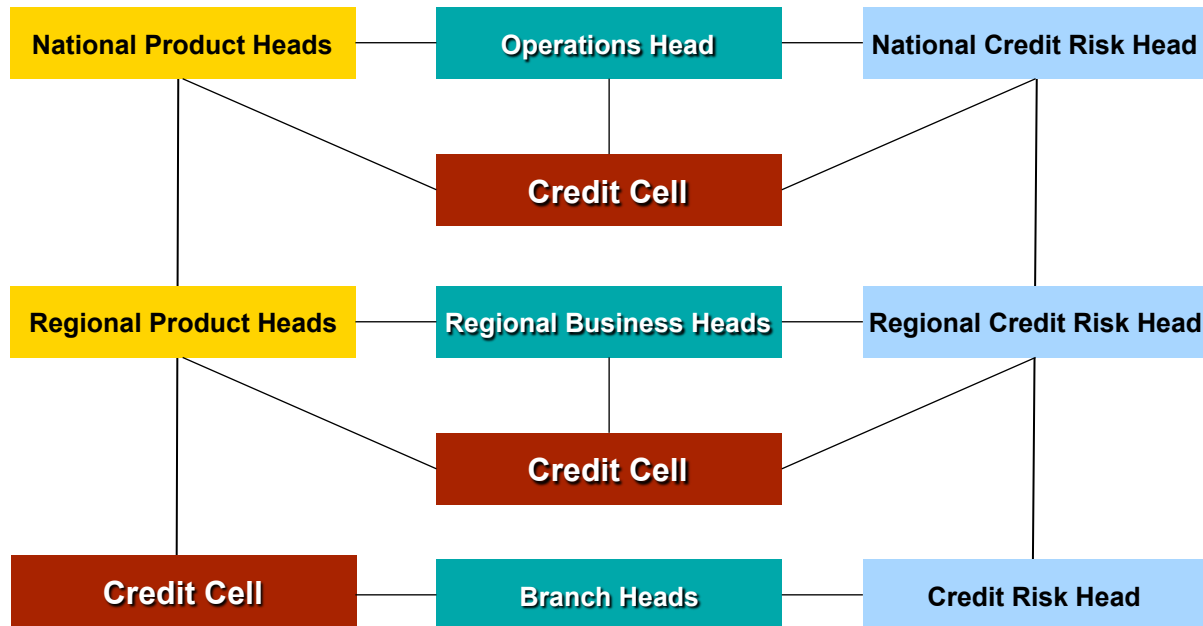
Ranvir Dewan
Director

- ❑ Senior Principal and Advisor to TPG Newbridge Capital
- ❑ Fellow member of the Institute of Chartered Accountants in England & Wales and a member of the Canadian Institute of Chartered Accountants

**Sumatiprasad M
Bafna**
Director

- ❑ Has extensive experience in the transportation business
- ❑ He currently serves on the board of directors of Seva Finance Ltd, Seva Transport Pvt. Ltd, Isuta Electronics (India) Ltd, Bafna Motors (Ratnagiri) Pvt Ltd, Kishore Transport Services Pvt. Ltd.

5 Organizational Structure: Credit Risk Focus



Clearly Demarcated Responsibilities

- ▣ **Field Offices:**
 - Direct contact with customers for vehicle inspection & primary valuation, sales-lead generation, and collection & repossession in the case of default

- ▣ **Branch Officer (530 Branches) :**
 - Deciding the credit worthiness of individuals and arranging the necessary documentation
 - Each branch has ~15-20 employees, 8-10 field officers, 6-8 support staff

Product Executives / Credit Executives

6

Strengthening Presence and Expanding Reach



Core Business

- ❑ Leverage the large pan-India network to enhance reach in North & East India, particularly in large CV hubs
- ❑ To increase market share in pre-owned CV market

Expanding the Pre-Owned CV Segment

- ❑ Introduce top-up products such as finance for tyres, working capital and engine replacement

Leveraging Private Financiers

- ❑ Build partnership with private financiers in the unorganized market to leverage their local knowledge to enhance market share
- ❑ Partnered with more than 500 private financiers as of March 31, 2012

Axis Bank co-branded credit cards

- ❑ Tied up with Axis Bank to distribute credit cards to small truck owners
- ❑ Distributed over 2,40,000 credit cards as of March 31, 2012

Freight Bill Discounting

- Estimated market size of Rs. 60-70 bn with higher yields than the existing CV financing business.

Passenger Commercial Vehicle Financing

- Estimated market size of Rs. 200 bn for FY12 backed by growth in population and an improving road infrastructure

Tractor Financing

- Market experiencing growth with increasing policy thrust on agricultural mechanization.
- The used tractor financing market is estimated at Rs. 300 bn in FY12

Construction Equipment Financing

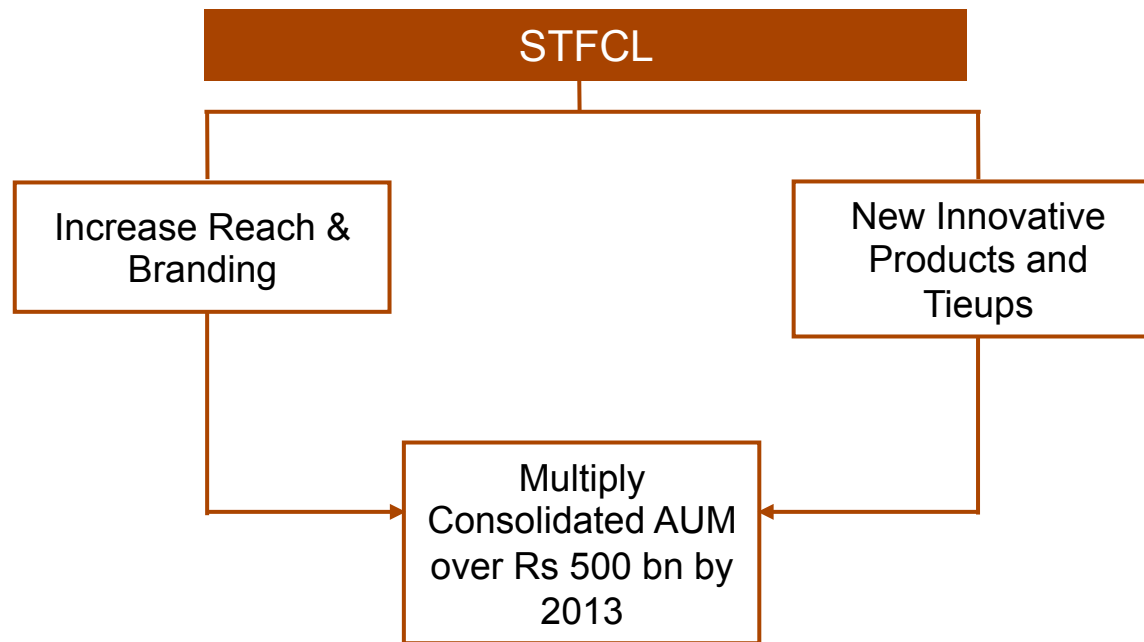
- Market expected to grow at an annual rate of 22% to reach over Rs. 400 bn in 2012 driven by huge infrastructure spending during the 11th 5-Year Plan estimated at approximately Rs. 20 tn
- This business would be through our 100% subsidiary Shriram Equipment Finance Company Ltd under an independent management which would focus on end-to-end equipment financing

Automall

- Platform to facilitate buyers and sellers to meet for sale of pre-owned CVs, where Shriram Automall, 100% subsidiary can earn commission fees through its advisory services and STFC will provide financing to the buyer
- Shriram Automall is creating a market for pre-owned trucks in organised and transparent manner and planning to create 50 – 60 such automall

6

Target to reach AUM over Rs 500 bn by FY13



Well Planed Strategy for Future Growth

6

Building Trust and Strengthening Relationship:



AutoMalls



- ❑ Unparalleled physical auction model in the country.
- ❑ Opportunity for Sellers and Financial institutions to sell assets and realize the best value with bidding by 300 and more bidders in every auction.
- ❑ 17 Automalls in operation.
- ❑ Over 1200 Auctions conducted, more than 45,000 assets sold and over 35,000 bidders bought assets.
- ❑ AutoMalls in addition would be offering host of services like valuation, parking, financing etc.



Touch Screen Kiosks



- ❑ Touch Screen Kiosks are Virtual Truck Bazaars-Buy & Sell as per convenience.
- ❑ Facilitates Buyer and Sellers to purchase and sell vehicles at the Right price.
- ❑ Kiosks available in 440 branches across the length and breadth of the country.
- ❑ Over 50,000 Buyers and Sellers have benefitted from the innovative service.

These initiatives would help STFC gain the Trust of those associated with the Transport and Equipment Industry



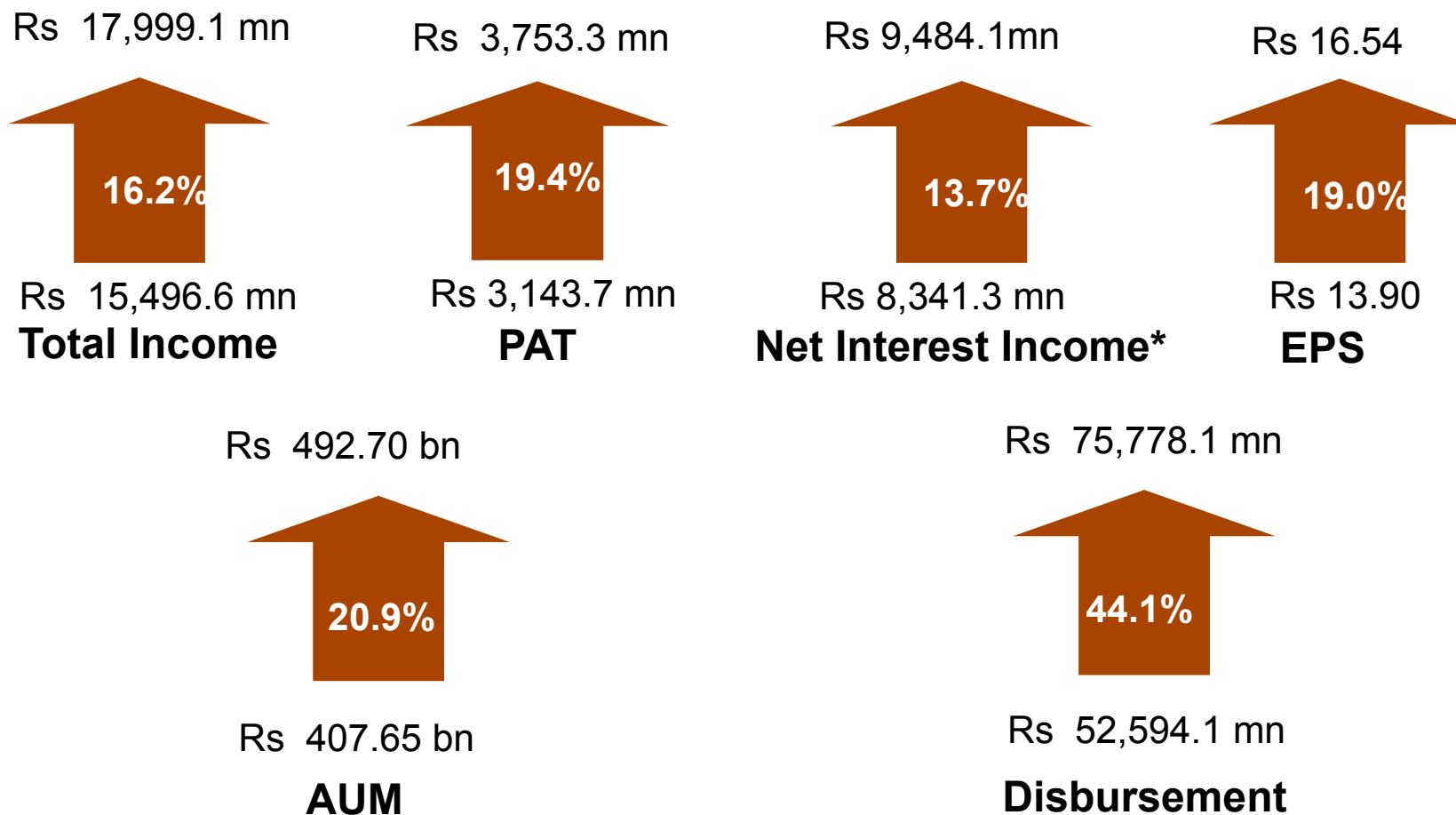
03

RECENT PERFORMANCE



Sustained Quarterly Growth Trend Continues

Consolidated Performance Review Q3 FY' 12 Vs. Q3 FY' 13

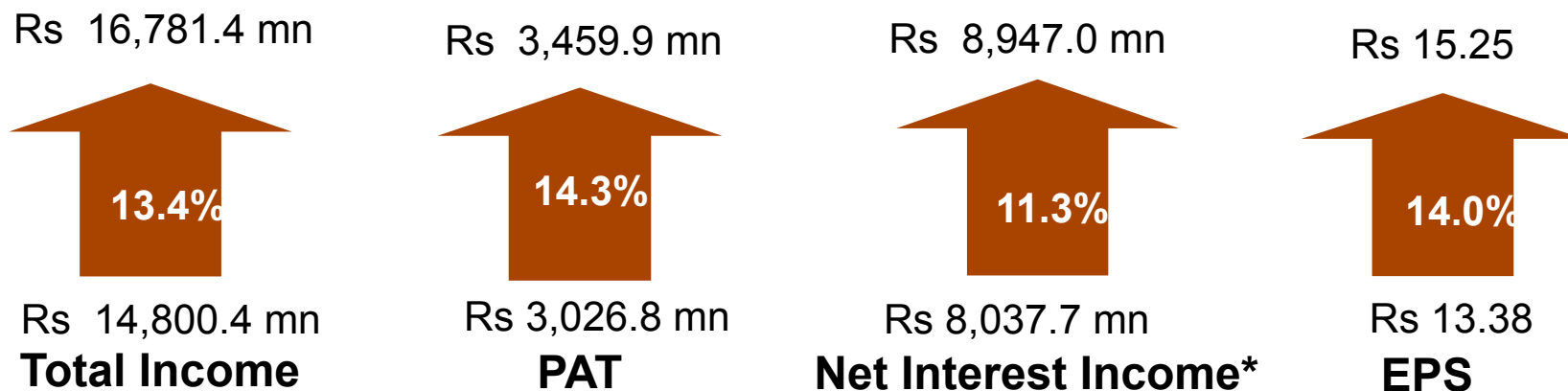


* including Securitisation Income

Sustained Quarterly Growth Trend Continues



Standalone Performance Review Q3 FY' 12 Vs. Q3 FY' 13

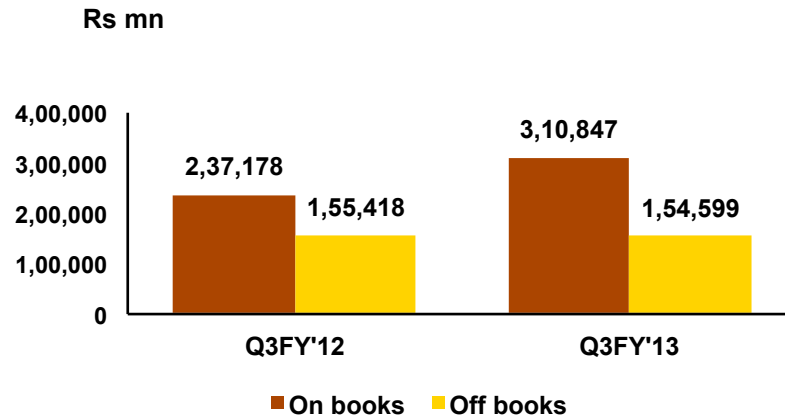


- ➔ **Growth in total income driven by growth across key revenue streams:**
 - ✓ Interest Income up by 27.4% to Rs 12,045.7 mn from Rs 9,457.7 mn
- ➔ **Growing operating profits** by 12.1% to Rs 7,248.3 mn from Rs 6,464.9 mn
- ➔ **Increase in PAT** by 14.3% to Rs 3,459.9 mn from 3,026.8 mn due to decrease in provisioning cost by 14 basis point.
- ➔ **Sustained asset quality** with Gross NPAs & Net NPA stood at 2.89% & 0.63% as against 2.89% & 0.61% (QnQ) and the Net NPA in absolute amount stands at Rs. 1,921.1 mn (Coverage ratio maintained over 78%)
- ➔ **Employee Strength** Increased by 777 taking the total strength to 14,936 from 14,159 (QnQ) including 8,877 field officers

* including Securitisation Income

Driven by Growing AUM

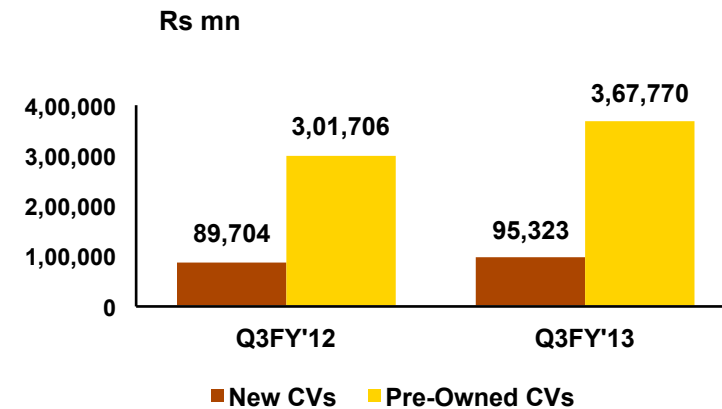
Assets under Management (On books & Off books)



➔ 18.6% growth in total Assets under Management to Rs. 465.45 bn

Assets under Management (New & Pre-owned CVs)

➔ 79.0% of total Assets under Management in pre-owned CV to Rs 367.77 bn

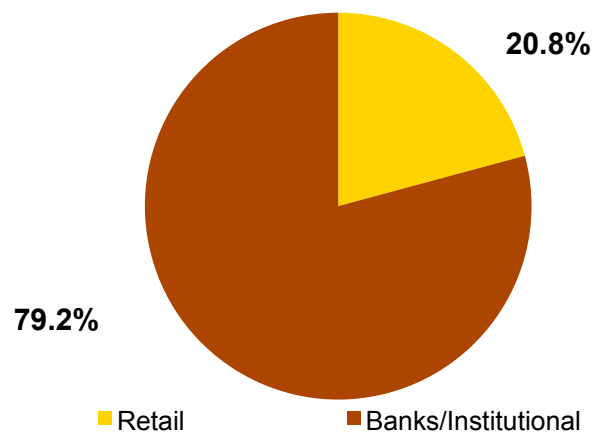


Supported by a Healthy Borrowing Profile

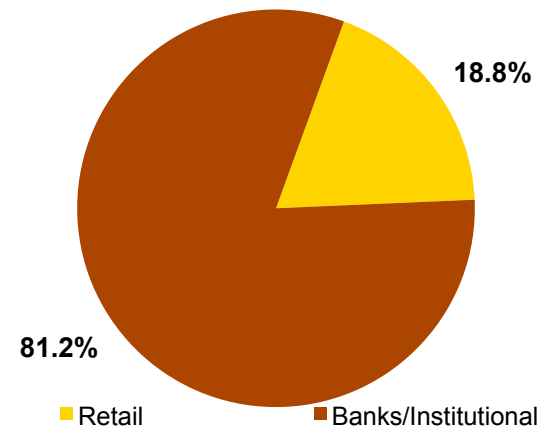


Borrowing Profile

Q3 FY' 12 – Rs 228.03 bn



Q3 FY' 13 – Rs 281.61 bn





04

INDUSTRY OPPORTUNITY



Exponential Growth in CV Financing



- CV Financing market size of Rs 1,850 bn
- Shriram targets the largest market segment of 5-12 years, accounting for 42% of the total market volume
- Market for second hand truck financing is under penetrated with 65-70% of the market with private financiers who charge high interest rates

Sustained Growth Expected to Continue

Modernization of trucking industry

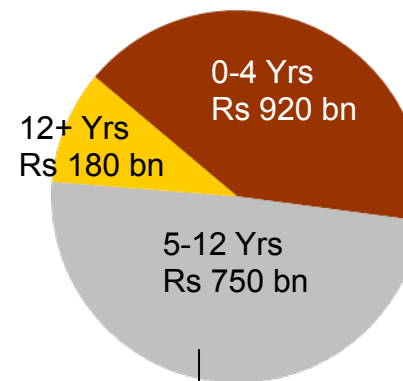
- Legislative pressure on banning trucks beyond 15 years is likely to trigger replacement boom
- Transport associations' introduction of Voluntary Retirement Scheme for old trucks with better financing options
- Financing amount of Rs 1,078bn to be triggered through replacement demand for 1.35mn new as well as pre-owned trucks

Stricter emission norms expected to generate huge demand for 5-12 year old trucks

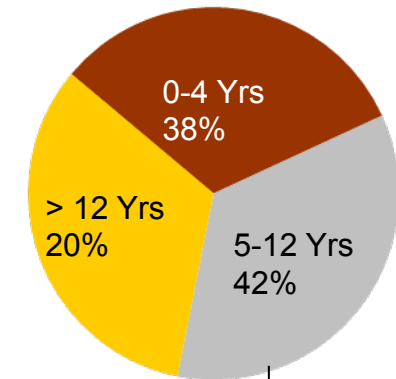
Growing freight capacity

- GDP growth rate driving incremental freight capacity which is estimated to increase at 1.25 times of GDP growth.

Market Potential



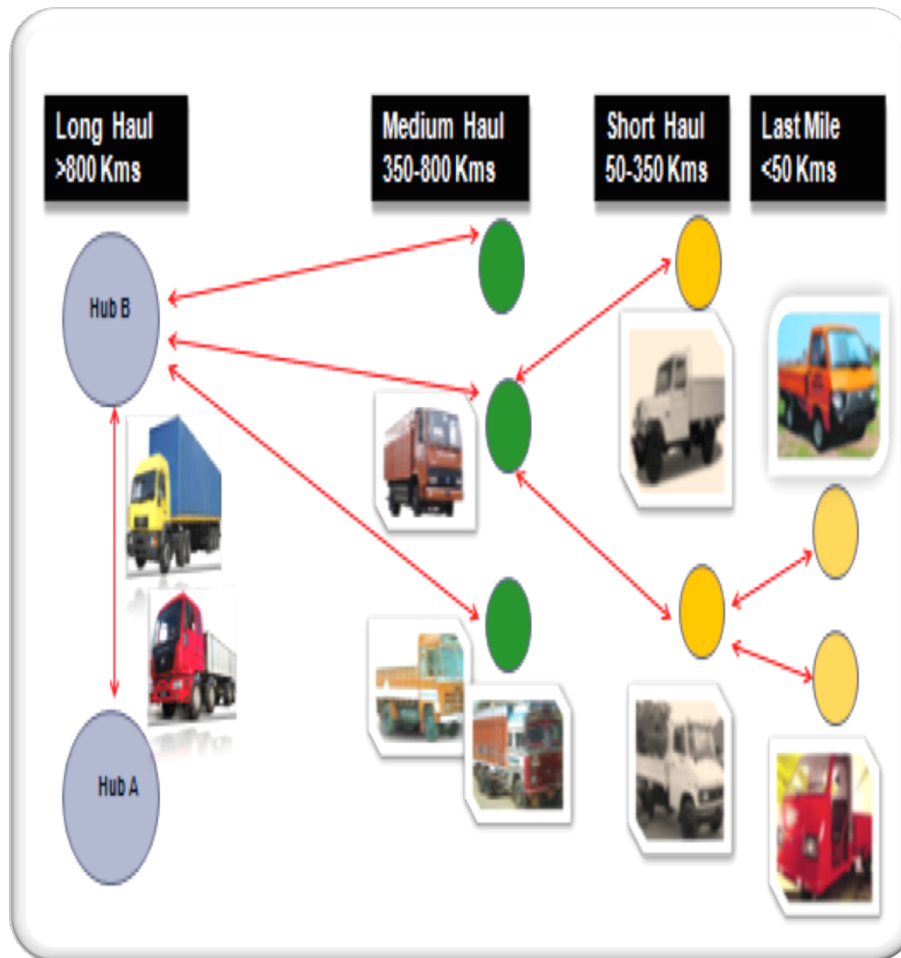
Truck Profile (5.2 mn)



Shriram Target Segment

Only Organised Player in the Pre-owned CV Financing Market

Transport Logistic Model to Stay – hub & spoke



- ❑ Transport Industry maturing with the years.
- ❑ Distribution solution providers changing the dimension of Transportation.
- ❑ Rural and Semi Urban markets seeing higher growth rates across all products.
- ❑ Better Road network seeing light of the day.
- ❑ Competition and Emission standards driving manufacturer's to launch Latest Technology International standard vehicles.
- ❑ Last mile Transport pushing demand for Cargo LCV's.

STFC will benefit from Exponential growth in the vehicles required for Last Mile Transport-SRTO

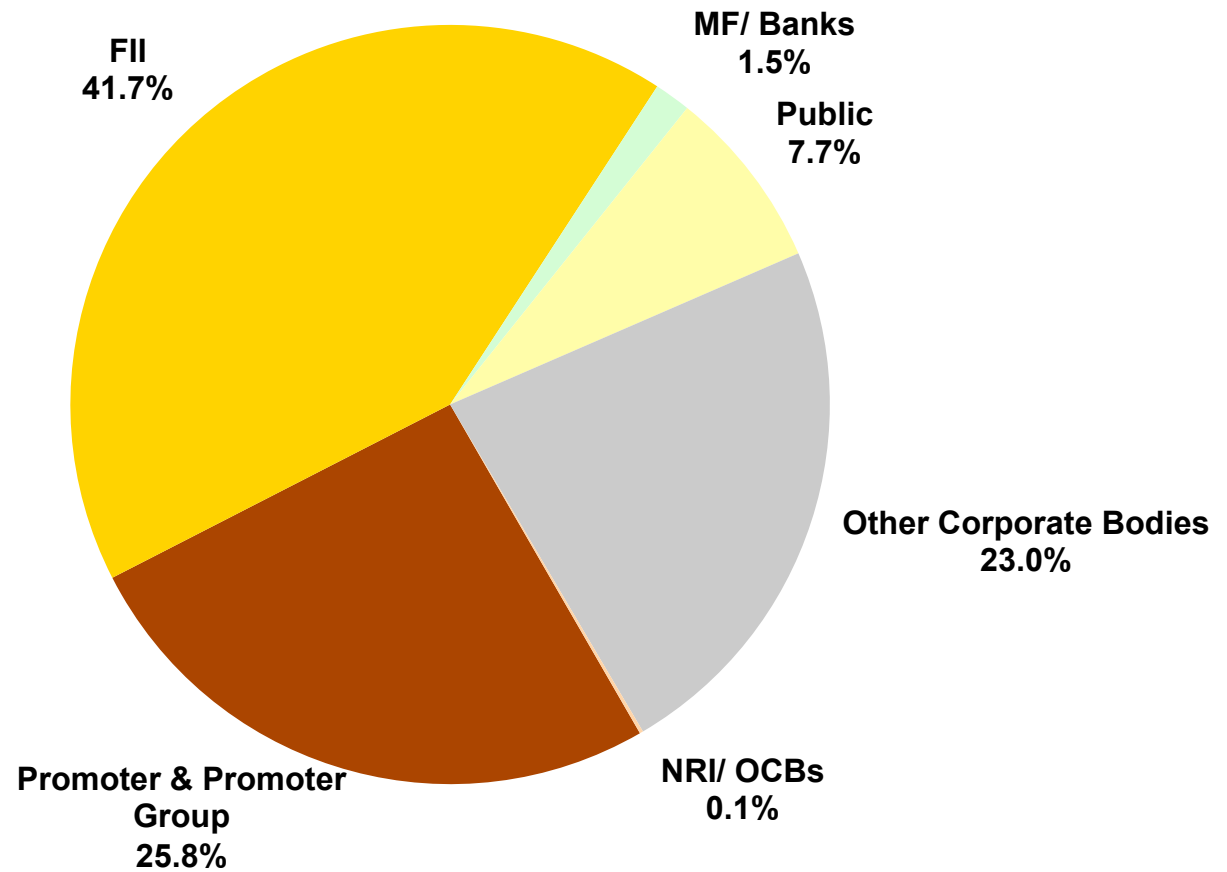


05

ANNEXURES



No. of shares outstanding: 226.85mn



Profit and Loss Statement



									<i>Rs mn</i>
Profit & Loss Statement	Q3 FY'12	Q1 FY'13	Q2 FY'13	Q3 FY'13	9M FY'12	9M FY'13	YoY %	QoQ %	FY'12
Interest Income	9,457.7	8,875.5	10,945.8	12,045.7	27,501.2	31,867.0	27.36%	10.05%	36,659.4
Interest expended	6,347.4	6,173.3	6,858.5	7,350.2	18,214.4	20,382.0	15.80%	7.17%	24,473.3
Net Interest Income	3,110.3	2,702.2	4,087.3	4,695.5	9,286.8	11,485.0	50.97%	14.88%	12,186.1
Income from Securitisation	5,031.7	5,508.3	4,713.8	4,424.0	15,504.8	14,646.1	-12.08%	-6.15%	20,934.5
Less : Securitisation expenses	104.3	185.6	123.4	172.5	586.2	481.6	65.39%	39.79%	859.4
Income from Securitisation (Net)	4,927.4	5,322.7	4,590.4	4,251.5	14,918.6	14,164.6	-13.72%	-7.38%	20,075.1
Net Interest Income including Income from Securitisation	8,037.7	8,024.9	8,677.7	8,947.0	24,205.4	25,649.6	11.31%	3.10%	32,261.2
Other fee based income	-	-	5.5	11.5	-	17.0	-	108.34%	-
Operating Income	8,037.7	8,024.9	8,683.2	8,958.5	24,205.4	25,666.6	11.46%	3.17%	32,261.2
Operating expenditure	1,866.5	1,940.4	1,872.2	1,998.5	5,331.8	5,811.1	7.07%	6.75%	7,114.1
Core Operating Profit (before Provisions & Contingencies)	6,171.2	6,084.5	6,811.0	6,960.0	18,873.6	19,855.5	12.78%	2.19%	25,147.1
Other Income	293.7	702.3	308.2	288.3	1,028.5	1,298.8	-1.83%	-6.45%	1,283.7
Operating Profit	6,464.9	6,786.8	7,119.2	7,248.3	19,902.1	21,154.3	12.12%	1.81%	26,430.8
Provisions for Bad Debts	1,933.3	1,945.7	2,017.5	2,081.3	5,607.6	6,044.5	7.66%	3.16%	7,561.0
Provisions against Standard Assets	(13.0)	80.1	88.5	44.8	95.8	213.4	-444.26%	-49.40%	60.8
PBT	4,544.6	4,761.0	5,013.2	5,122.2	14,198.7	14,896.4	12.71%	2.17%	18,809.0
Tax	1,517.8	1,542.5	1,637.6	1,662.3	4,704.8	4,842.4	9.52%	1.51%	6,234.6
PAT	3,026.8	3,218.5	3,375.6	3,459.9	9,493.9	10,054.0	14.31%	2.50%	12,574.4
EPS (Rs)	13.38	14.22	14.92	15.25	41.97	44.33	13.98%	2.21%	55.59
Total CRAR %*	24.91%	21.31%	20.48%	19.16%	24.91%	19.16%	-23.08%	-6.45%	22.26%
Book Value (Rs)	253.96	277.45	291.93	304.48	253.96	304.48	19.89%	4.30%	263.05
Key Ratios (%)	Q3 FY'12	Q1 FY'13	Q2 FY'13	Q3 FY'13	9M FY'12	9M FY'13	YoY %	QoQ %	FY'12
Return on Avg. Net Worth	21.35%	20.92%	20.83%	20.36%	23.51%	20.69%	-4.65%	-2.26%	22.82%
Return on Avg. Assets	3.60%	3.72%	3.86%	3.58%	3.83%	3.72%	-0.33%	-7.17%	3.75%
Interest Coverage Ratio	2.33	2.44	2.33	2.28	2.42	2.35	-2.04%	-2.04%	2.41

Balance Sheet

Rs mn

Balance Sheet	Q3 FY'12	Q1 FY'13	Q2 FY'13	Q3 FY'13	9M FY'12	9M FY'13	YoY %	QoQ %	FY'12
Liabilities									
Shareholder funds									
Equity Capital	2,262.5	2,263.2	2,263.8	2,268.8	2,262.5	2,268.8	0.28%	0.22%	2,263.2
Reserves	55,628.3	60,876.6	64,246.2	67,187.6	55,628.3	67,187.6	20.78%	4.58%	57,659.9
Loans									
Secured	1,75,664.1	1,59,858.4	1,67,029.6	2,11,860.2	1,75,664.1	2,11,860.2	20.61%	26.84%	1,78,057.1
Unsecured	52,370.2	52,933.3	70,847.4	69,749.7	52,370.2	69,749.7	33.19%	-1.55%	53,161.4
Current Liabilities	59,692.4	62,607.3	61,548.0	77,024.1	59,692.4	77,024.1	29.03%	25.14%	66,051.4
Total	3,45,617.5	3,38,538.8	3,65,935.0	4,28,090.4	3,45,617.5	4,28,090.4	23.86%	16.99%	3,57,193.0
Assets									
Fixed Assets	392.4	426.7	499.9	547.0	392.4	547.0	39.38%	9.42%	397.3
Loans & Advances	2,057.7	3,724.5	1,174.6	3,020.0	2,057.7	3,020.0	46.77%	157.11%	1,622.3
Cash & Bank balances	37,923.6	33,333.4	31,748.5	41,170.9	37,923.6	41,170.9	8.56%	29.68%	53,808.7
Investments	35,164.8	12,593.3	9,654.7	46,343.5	35,164.8	46,343.5	31.79%	380.01%	39,646.4
Truck receivables	2,35,991.5	2,53,431.4	2,93,246.5	3,08,494.2	2,35,991.5	3,08,494.2	30.72%	5.20%	2,19,019.0
Deferred Tax Asset	1,970.3	2,319.1	2,569.9	2,785.3	1,970.3	2,785.3	41.36%	8.38%	2,166.8
Current Assets	32,117.2	32,710.4	27,040.9	25,729.5	32,117.2	25,729.5	-19.89%	-4.85%	40,532.5
Total	3,45,617.5	3,38,538.8	3,65,935.0	4,28,090.4	3,45,617.5	4,28,090.4	23.86%	16.99%	3,57,193.0

Spread Analysis	Q3 FY'12	Q1 FY'13	Q2 FY'13	Q3 FY'13	9M FY'12	9M FY'13			FY'12
Total Income/ Avg. total assets	17.56%	17.45%	18.27%	17.37%	17.78%	17.69%			17.57%
Interest cost/ Avg. total assets	7.54%	7.14%	7.85%	7.62%	7.46%	7.54%			7.39%
Gross Spread	10.02%	10.31%	10.43%	9.76%	10.32%	10.15%			10.18%
NPA provisioning/ Avg. total assets	2.30%	2.25%	2.31%	2.16%	2.26%	2.24%			2.26%
Provisioning for standard assets/ Avg. total assets	-0.02%	0.09%	0.10%	0.05%	0.04%	0.08%			0.02%
Overhead Cost/ Avg. total assets	2.34%	2.46%	2.28%	2.25%	2.29%	2.33%			2.29%
Net Spread	5.40%	5.51%	5.74%	5.31%	5.73%	5.51%			5.61%

Details of Key Parameters (Profit & Loss Account)

Particulars		Q3	Q1	Q2	Q3	9 MONTH	9 MONTH	%	%	Year ended
		FY 2011 12	FY 2012 13	FY 2012 13	FY 2012 13	FY 2011 12	FY 2012 13	YoY	QoQ	FY 2012
Total Income	mn	14,800.4	15,098.4	15,986.3	16,781.4	44,084.1	47,866.1	13.38%	4.97%	58,938.8
Interest Income	mn	9,457.7	8,875.5	10,945.7	12,045.7	27,501.2	31,867.0	27.36%	10.05%	36,659.4
Securitisation Income	mn	4,927.4	5,322.7	4,590.5	4,251.5	14,918.6	14,164.6	-13.72%	-7.38%	20,075.1
Total Interest Income	mn	14,385.1	14,198.2	15,536.2	16,297.2	42,419.8	46,031.6	13.29%	4.90%	56,734.5
Less : Interest Expenses	mn	6,347.4	6,173.3	6,858.5	7,350.2	18,214.4	20,382.0	15.80%	7.17%	24,473.3
Net Interest Income	mn	8,037.7	8,024.9	8,677.7	8,947.0	24,205.4	25,649.6	11.31%	3.10%	32,261.2
Other Income	mn	293.7	702.3	313.7	299.8	1,028.5	1,315.8	2.08%	-4.43%	1,283.7
Operating Income	mn	8,331.4	8,727.2	8,991.4	9,246.8	25,233.9	26,965.4	10.99%	2.84%	33,544.9
Profit after Tax	mn	3,026.8	3,218.5	3,375.6	3,459.9	9,493.9	10,054.0	14.31%	2.50%	12,574.4
Cost to Income Ratio	%	21.73	21.87	20.43	20.30	20.51	20.85	-6.58%	-0.64%	20.66
EPS	Rs.	13.38	14.22	14.92	15.25	41.97	44.33	13.98%	2.21%	55.59
ROA	%	3.60	3.72	3.86	3.58	3.83	3.72	-0.56%	-7.25%	3.75
ROE	%	21.35	20.92	20.83	20.36	23.51	20.69	-4.64%	-2.26%	22.82
NIM (on AUM)	%	7.73	7.42	7.67	7.52	7.98	7.54	-2.72%	-1.96%	7.51

Details of Key Parameters (Balance Sheet)

Particulars		Q3	Q1	Q2	Q3	9 MONTH	9 MONTH	%	%	Year ended
		FY 2011 12	FY 2012 13	FY 2012 13	FY 2012 13	FY 2011 12	FY 2012 13	YoY	QoQ	FY 2012
Asset under Management										
- On Books	mn	2,37,177.6	2,56,401.8	2,93,713.1	3,10,846.9	2,37,177.6	3,10,846.9	31.06%	5.83%	2,19,877.6
- Off Books	mn	1,55,418.3	1,62,822.3	1,47,137.0	1,54,599.1	1,55,418.3	1,54,599.1	-0.53%	5.07%	1,82,261.4
Total AUM	mn	3,92,595.9	4,19,224.1	4,40,850.1	4,65,446.0	3,92,595.9	4,65,446.0	18.56%	5.58%	4,02,139.0
Disbursement										
- Used CV	mn	41,703.9	43,698.6	50,458.3	58,805.5	1,16,624.6	1,52,962.4	41.01%	16.54%	1,56,463.3
- New CV	mn	7,565.6	9,993.7	11,214.6	11,160.4	28,430.8	32,368.7	47.52%	-0.48%	38,395.5
Total Disbursement	mn	49,269.5	53,692.3	61,672.9	69,965.9	1,45,055.4	1,85,331.1	42.01%	13.45%	1,94,858.8
Securitisation done	mn	33,414.0	-	3,875.0	30,395.0	40,005.0	34,270.0	-9.04%	684.39%	83,461.0
Gross NPA	%	2.79	3.00	2.89	2.89	2.79	2.89	3.58%	0.00%	3.06
Net NPA	%	0.40	0.62	0.61	0.63	0.40	0.63	57.50%	3.28%	0.44
Gross NPA	mn	6,718.6	7,775.6	8,553.4	9,086.5	6,718.6	9,086.5	35.24%	6.23%	6,937.9
Net NPA	mn	930.9	1,576.0	1,753.8	1,921.1	930.9	1,921.1	106.37%	9.54%	977.2
Coverage Ratio	%	86.14	79.73	79.50	78.86	86.14	78.86	-8.45%	-0.81%	85.91
CRAR	%	24.91	21.31	20.48	19.16	24.91	19.16	-23.08%	-6.45%	22.26
Book Value	Rs.	253.96	277.45	291.93	304.48	253.96	304.48	19.89%	4.30%	263.05

1. Shriram Equipment Finance Company Limited.

Total Disbursement – Rs. 5,812.2 mn in Q3 FY 13 (Rs. 4,090.1 mn in Q2 FY 13) (Rs. 16,406.2 mn in FY 12)

Assets under Finance - Rs. 27,253.0 mn in Q3 FY 13 (Rs. 23,808.9 mn in Q2 FY 13) (Rs. 19,233.7 mn in FY 12)

PAT – Rs. 263.1 mn in Q3 FY 13 (Rs. 220.9 mn in Q2 FY 13) (Rs. 516.2 mn in FY 12)

2. Shriram Automall India Limited.

- ONE STOP - Launched in more than 480 branches.
- AUTOMALL – 17 Automall in operation.

3. Fees Income earned Rs. 184.19 mn in Q3 FY 13 (Rs. 181.75 mn in Q2 FY 13) (478.2 mn in FY 12)

Subsidiary - Shriram Equipment Finance Company Limited

Profit and Loss Statement



(Rs. in Mn)

Particulars	Q3 FY 12	Q1 FY 13	Q2 FY 13	Q3 FY 13	9M FY 12	9M FY 13	FY12
Income							
Revenue from operations	580.29	835.06	957.20	1,069.10	1375.66	2861.36	2,101.01
Other income	0.01	0.00	0.01	0.01	0.02	0.03	0.13
Total	580.30	835.06	957.21	1,069.11	1,375.68	2,861.39	2,101.14
Expenditure							
Employee benefit expenses	39.19	62.28	64.80	65.04	114.22	192.12	172.18
Finance cost	276.67	422.52	498.87	532.02	624.71	1,453.40	962.57
Depreciation and amortisation	1.13	1.62	1.37	1.64	3.72	4.64	4.94
Other expenses	32.46	39.54	43.57	48.24	84.40	131.35	117.10
Provisions & write offs	13.35	48.09	21.55	32.68	32.69	102.33	74.35
Total	362.80	574.05	630.16	679.62	859.74	1,883.84	1,331.14
Profit before taxation	217.50	261.01	327.05	389.49	515.94	977.55	770.00
Provision for taxation							
Current tax	72.21	87.14	108.35	129.38	179.03	324.87	264.84
Deferred tax	(1.64)	(2.47)	(2.24)	(3.03)	(7.69)	(7.74)	(11.06)
Total tax expense / (income)	70.57	84.67	106.11	126.35	171.34	317.13	253.78
Profit after tax from continuing operations	146.93	176.34	220.94	263.14	344.60	660.42	516.22
Earnings per share							
Basic (Rs.)	14.69	17.63	22.09	26.31	34.44	66.02	51.59
Diluted (Rs.)	14.69	17.63	22.09	26.31	34.44	66.02	51.59
Nominal value of equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00

Subsidiary - Shriram Equipment Finance Company Limited

Balance Sheet



(Rs. in Mn)

Particulars	Q3 FY 12	Q1 FY 13	Q2 FY 13	Q3 FY 13	FY12
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00
(b) Reserves and surplus	355.86	703.56	924.50	1,187.64	527.21
(2) Non-Current Liabilities					
(a) Long-term borrowings	4,364.82	5,114.33	11,763.43	5,788.02	8,806.33
(b) Other long term liabilities	62.03	19.94	68.96	533.69	11.83
(c) Long term provisions	33.45	112.67	129.27	155.27	67.53
(3) Current Liabilities					
(a) Short-term borrowings	6,103.05	7,809.01	4,437.76	7,976.60	4,359.02
(b) Trade payables	824.85	841.16	899.51	1,073.32	1,250.80
(c) Other current liabilities	797.08	4,299.25	3,192.92	8,152.75	1,722.13
(d) Short-term provisions	49.60	31.76	48.35	53.05	40.03
Total	15,190.74	21,531.68	24,064.70	27,520.34	19,384.88
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	3.67	6.20	6.33	7.47	6.35
(ii) Intangible assets	6.74	4.82	3.85	3.64	5.78
(b) Deferred tax assets (net)	12.88	18.73	20.97	24.00	16.26
(c) Long term loans and advances	9,612.90	12,952.47	13,876.94	15,672.23	12,045.30
(2) Current assets					
(a) Cash and bank balances	99.30	65.26	86.86	111.97	84.91
(b) Short-term loans and advances	5,454.75	8,483.78	10,068.63	11,699.70	7,226.28
(c) Other current assets	0.50	0.42	1.12	1.33	-
Total	15,190.74	21,531.68	24,064.70	27,520.34	19,384.88

Subsidiary - Shriram Equipment Finance Company Limited

Details of Key Parameters (Profit & Loss Account)



Particulars		Q3	Q1	Q2	Q3	9 MONTH	9 MONTH	%	%	Year ended
		FY 2011 12	FY 2012 13	FY 2012 13	FY 2012 13	FY 2011 12	FY 2012 13	YoY	QoQ	FY 2012
Interest Income	mn	580.3	835.1	957.2	1,069.1	1,375.7	2,861.4	84.23%	11.69%	2,101.0
Less : Interest Expenses	mn	276.7	422.5	498.9	532.0	624.7	1,453.4	92.27%	6.63%	962.6
Net Interest Income	mn	303.6	412.6	458.3	537.1	751.0	1,408.0	76.91%	17.19%	1,138.4
Other Income	mn	-	-	-	-	-	-	-	-	0.1
Operating Income	mn	303.6	412.6	458.3	537.1	751.0	1,408.0	76.91%	17.19%	1,138.5
Profit after Tax	mn	146.9	176.3	220.9	263.1	344.6	660.4	79.10%	19.10%	516.2
Cost to Income Ratio	%	23.97	25.07	23.94	21.40	26.94	23.30	-10.72%	-10.61%	25.84
EPS	Rs.	14.69	17.63	22.09	26.31	34.44	66.02	79.10%	19.10%	51.59
ROA	%	4.17	3.44	3.87	4.09	3.88	3.83	-1.92%	5.68%	3.91
ROE	%	20.39	21.94	25.89	28.79	17.72	25.68	41.20%	11.20%	19.08

Subsidiary - Shriram Equipment Finance Company Limited

Details of Key Parameters (Balance Sheet)



Particulars		Q3	Q1	Q2	Q3	9 MONTH	9 MONTH	%	%	Year ended
		FY 2011 12	FY 2012 13	FY 2012 13	FY 2012 13	FY 2011 12	FY 2012 13	YoY	QoQ	FY 2012
Asset under Management	mn	15,058.8	21,418.4	23,808.9	27,253.0	15,058.8	27,253.0	80.98%	14.47%	19,233.7
Disbursement										
- Used CE	mn	762.7	775.6	1,035.0	1,654.6	2,280.9	3,465.3	116.94%	59.86%	3,144.0
- New CE	mn	2,561.9	3,006.4	3,055.0	4,157.6	8,658.2	10,219.1	62.29%	36.09%	13,262.2
Total Disbursement	mn	3,324.6	3,782.0	4,090.0	5,812.2	10,939.1	13,684.4	74.82%	42.11%	16,406.2
Gross NPA	%	0.36	0.54	0.53	0.59	0.36	0.59	63.88%	11.32%	0.26
Net NPA	%	0.30	0.18	0.14	0.18	0.30	0.18	-40.00%	28.57%	0.08
Gross NPA	mn	53.70	115.40	126.10	160.60	53.70	160.60	199.07%	27.36%	50.60
Net NPA	mn	45.90	37.80	34.10	47.50	45.90	47.50	3.49%	39.30%	15.40
Coverage Ratio	%	14.53	67.24	72.96	70.42	14.53	70.42	384.65%	-3.48%	69.57
CRAR	%	23.40	19.85	18.75	17.44	23.40	17.44	-25.47%	-6.99%	21.16
Book Value	Rs.	45.59	80.36	102.45	128.76	45.59	128.76	182.43%	25.68%	62.75

Subsidiary - Shriram Automall India Limited

Profit and Loss Statement



(Rs. in Mn)

Particulars	Q3 FY 12	Q1 FY 13	Q2 FY 13	Q3 FY 13	9M FY 12	9M FY 13	FY12
Income							
Revenue from operations	191.62	187.54	181.75	184.19	808.43	553.47	1,072.88
Other income	0.02	0.04	0.32	0.39	0.05	0.75	0.08
Total	191.64	187.58	182.07	184.58	808.48	554.23	1,072.95
Expenditure							
Purchase of used commercial vehicles	43.65	-	-	-	412.08	-	444.36
Vehicle Refurbishment expenses	3.01	0.24	-	-	18.03	0.24	20.22
Adjustment due to decrease/(increase) in stock of used commercial vehicles	41.02	9.29	-	-	67.90	9.29	119.75
Employees Benefit expense	50.99	75.72	60.81	66.09	148.76	202.61	206.52
Finance cost	3.19	0.00	0.01	0.00	19.37	0.01	20.91
Depreciation and amortisation	10.78	9.33	9.47	9.56	18.90	28.36	34.17
Other expenses	66.65	65.83	74.31	69.73	160.96	209.87	230.86
Total	219.29	160.40	144.59	145.38	846.02	450.37	1,076.78
Profit/(Loss) before taxation	(27.64)	27.18	37.48	39.20	(37.54)	103.86	(3.83)
Provision for taxation							
Current tax	-	4.30	7.50	7.84	-	19.64	-
Deferred tax liability / (Asset)	1.92	(3.08)	(0.20)	(0.36)	-	(3.64)	(0.78)
Total tax expense / (income)	1.92	1.22	7.30	7.48	-	16.00	(0.78)
Profit/(Loss) after tax from continuing operations	(29.56)	25.96	30.17	31.72	(37.54)	87.86	(3.04)
Earnings/(Loss) per share							
Basic & Diluted (Rs.)	(1.48)	0.87	1.00	1.06	(2.24)	2.93	(0.17)
Nominal Value of Share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00

Subsidiary - Shriram Automall India Limited

Balance Sheet



(Rs. in Mn)

Particulars	Q3 FY 12	Q1 FY 13	Q2 FY 13	Q3 FY 13	FY12
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share capital	200.00	300.00	300.00	300.00	300.00
(b) Reserves and Surplus	(176.74)	(116.29)	(86.11)	(54.39)	(142.25)
(2) Non-Current Liabilities					
(a) Deferred tax liabilities (net)	0.40	-	-	-	-
(b) Long term provisions	6.86	9.99	10.77	10.88	6.76
(3) Current Liabilities					
(a) Short-term borrowings	-	-	19.28	-	49.32
(b) Trade payables	257.18	106.66	80.02	106.33	35.91
(c) Other current liabilities	37.96	16.58	17.80	23.15	19.15
(d) Short-term provisions	5.66	13.88	12.35	13.99	5.71
Total	331.31	330.82	354.11	399.96	274.60
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	117.85	125.66	119.16	112.90	131.95
(ii) Intangible assets	0.52	13.98	12.50	11.01	15.45
(iii) Capital work-in-progress	12.50	-	-	-	-
(b) Deferred tax assets (net)	-	3.47	3.66	4.03	0.39
(c) Long term loans and advances	61.16	46.83	42.03	40.95	49.23
(d) Other assets	0.16	0.11	0.11	0.11	0.16
(2) Current assets					
(a) Inventories	61.28	0.28	0.28	0.28	9.29
(b) Trade receivables	0.98	0.98	0.97	1.24	2.58
(c) Cash and bank balances	32.92	8.93	145.34	106.27	52.24
(d) Short-term loans and advances	43.95	130.52	30.05	123.16	13.31
(e) Other assets	-	0.06	0.01	0.01	-
Total	331.31	330.82	354.11	399.96	274.60

About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is the largest asset financing NBFC with assets under management of Rs 465.45 bn. The company is a leader in organized financing of pre-owned trucks with strategic presence in 5-12 year old trucks and a market share of around 25%. It has a pan-India presence with a network of 530 branches, and employs 14,936 employees including 8,877 field officers. The company has built a strong customer base of over 0.9 mn. Over the past 34 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.

**For any Investor Relations
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Thank You