

Shriram Transport Finance Company Ltd.



Investor Presentation

November 09, 2011

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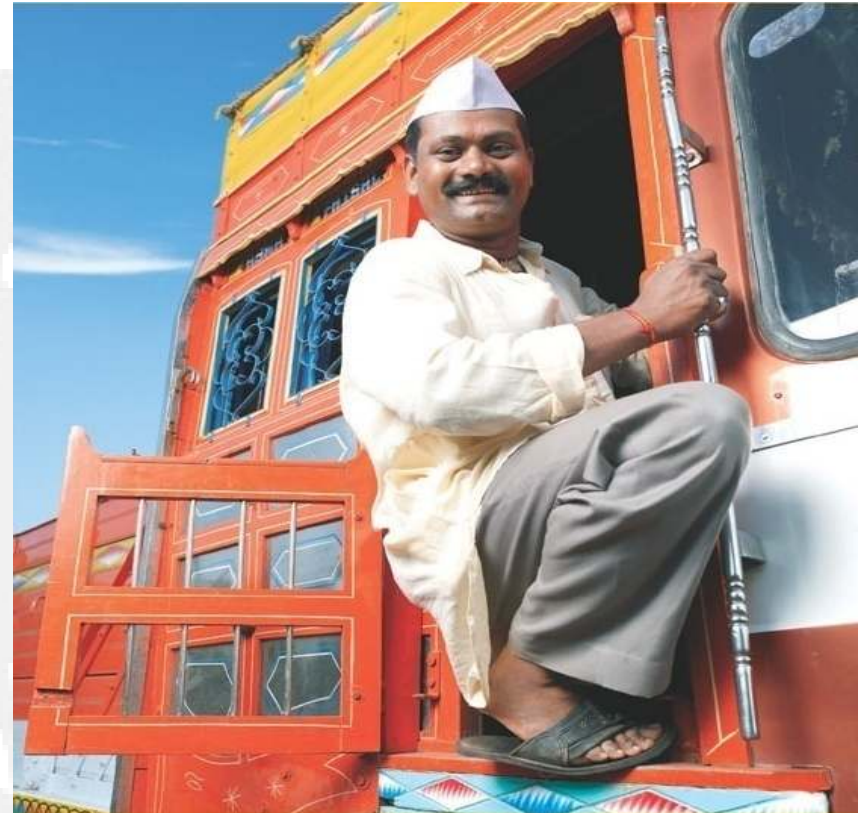
1 **Company Snapshot**

2 **Business Analysis**

3 **Recent Performance**

4 **Industry Opportunity**

5 **Annexures**



INDIA'S LARGEST ASSET-FINANCING NBFC.



1 Company Snapshot



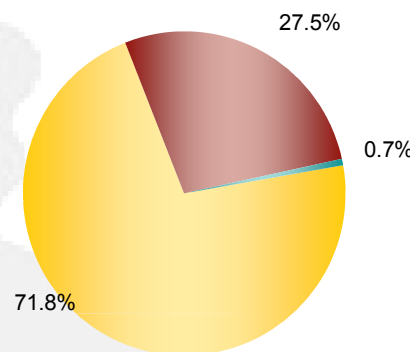
Market Leader in High-Yield Pre-Owned CV Financing



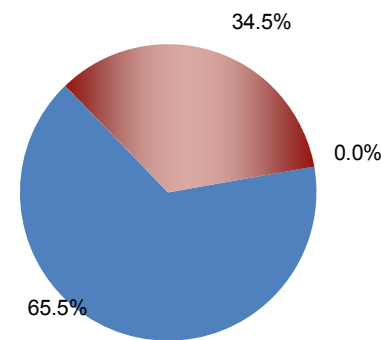
- ❑ **Shriram Transport Finance Company Limited (STFC) is one of the largest asset financing NBFC** with approximately 20-25% market share in pre-owned and approximately 7-8% market share in new truck financing
- ❑ **Strategically present in high yield - pre-owned CV financing** with expertise in loan 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 0.8 mn as of September 30, 2011
- ❑ **Employee strength** of approximately 16,404 including 9,339 product/credit executives as of September 30, 2011
- ❑ **Listed on the National Stock Exchange and Bombay Stock Exchange** with a market capitalisation of over Rs. 138 bn
- ❑ **Equity investment** from reputed private equity and institutional investors including TPG

Operating Revenue Break Up

Q2 FY11 – Rs. 13.00 bn



Q2 FY12 – Rs. 14.47 bn



■ Fund Based ■ Income from Securitisation ■ Fee Based

Large Assets Under Management (as on September 30, 2011)

- ❑ Total Assets Under Management (AUM) of Rs. 380.76 bn
 - Pre-Owned CV: Approximately Rs. 288.42 bn
 - New CV: Approximately Rs. 91.16 bn
 - Others: Approximately Rs. 1.18bn

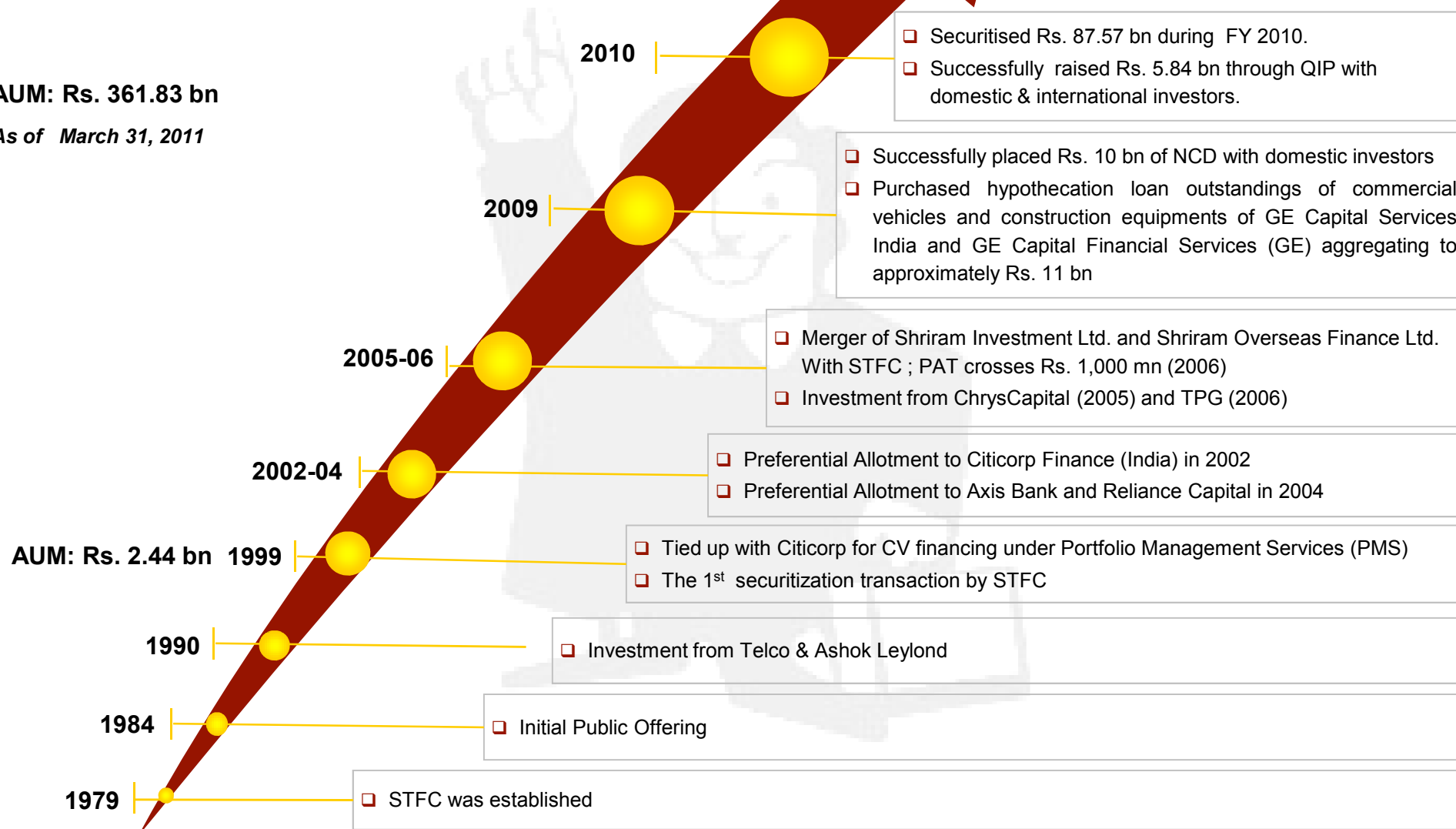
Extensive Distribution Network

- ❑ Pan-India presence through a network of
 - 69 Strategic Business Units (SBUs)
 - 496 branch offices
- ❑ Partnership with over 500 Private Financiers

Corporate History

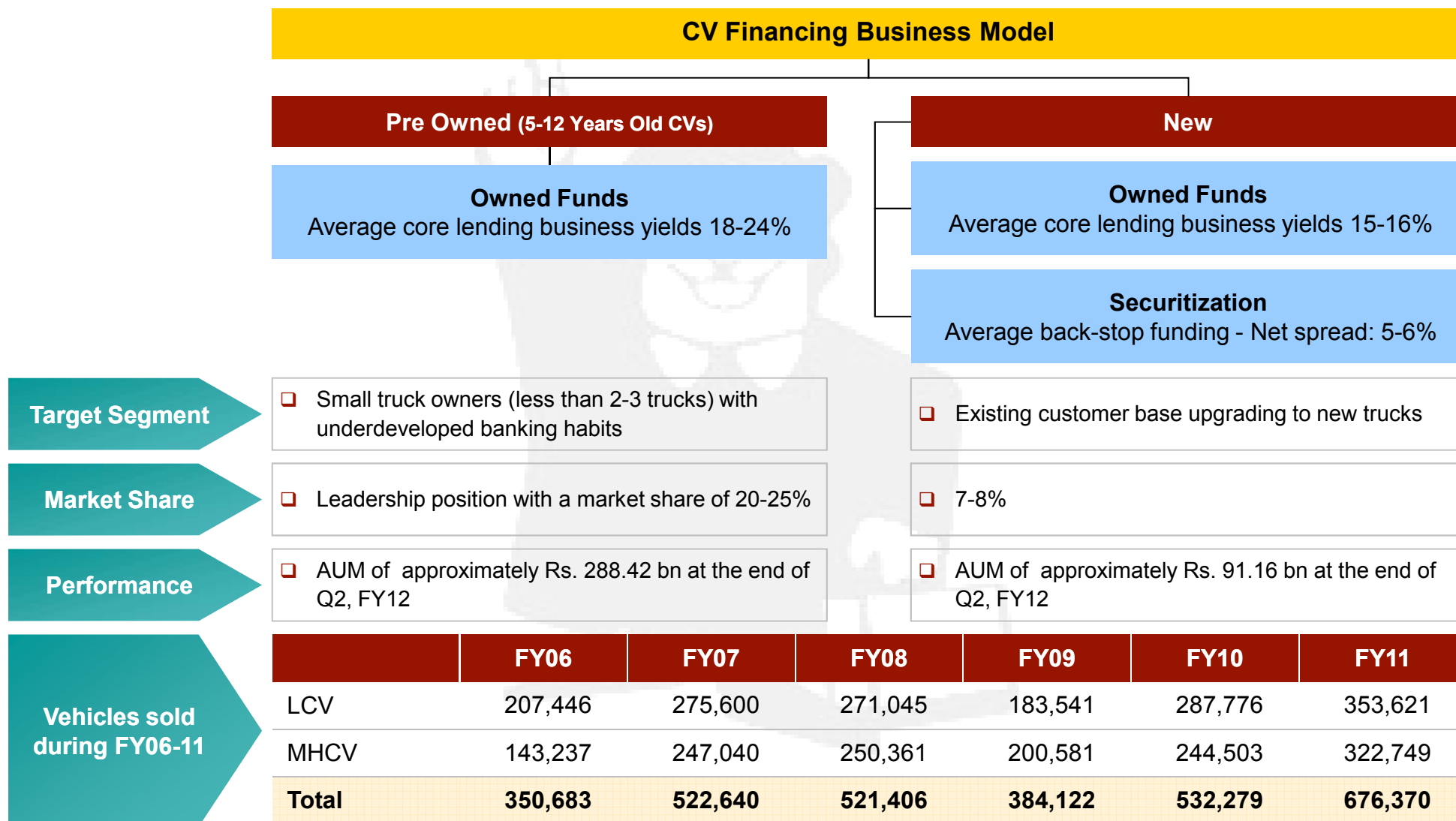
AUM: Rs. 361.83 bn

As of March 31, 2011



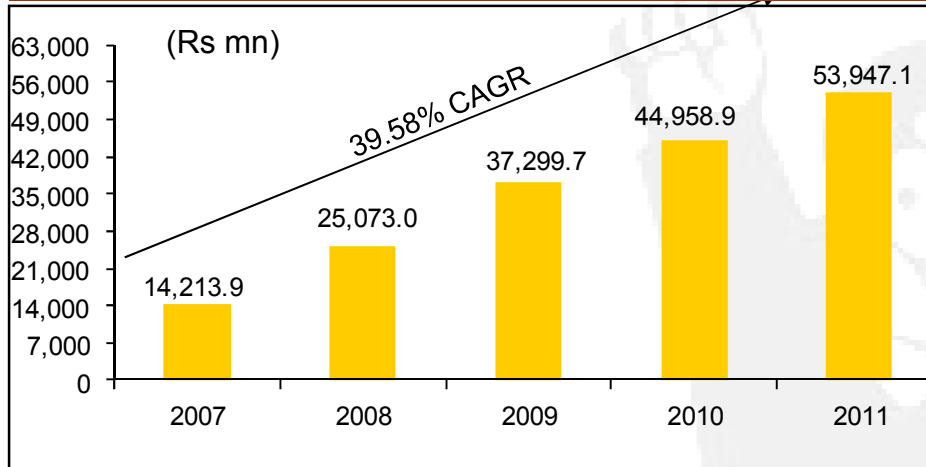
AUM: Rs. 2.44 bn

Unique Business Model

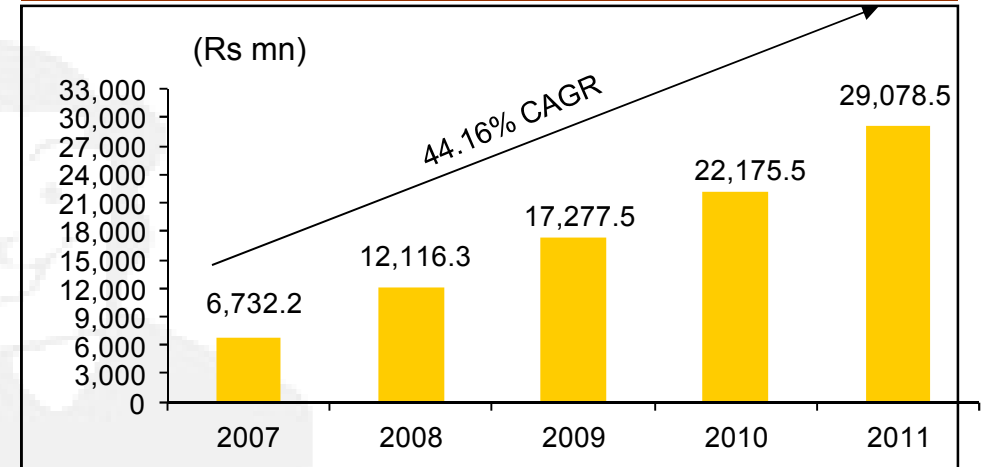


With a Strong Financial Track Record

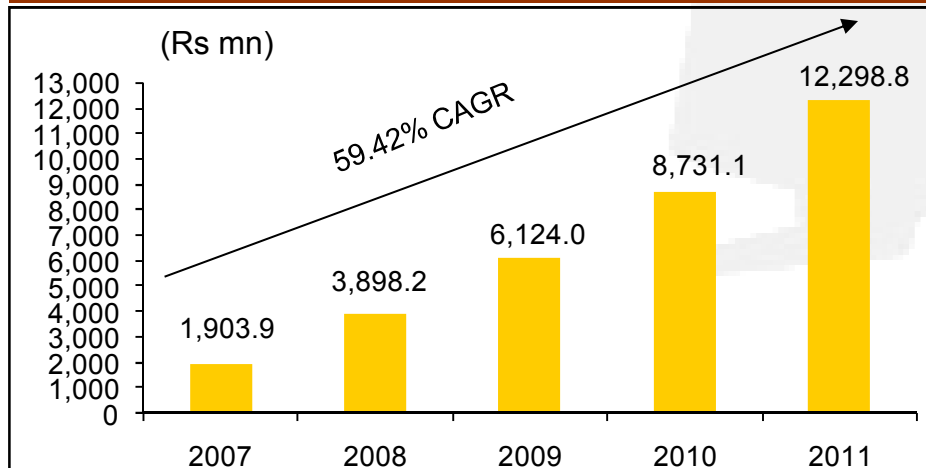
Total Income



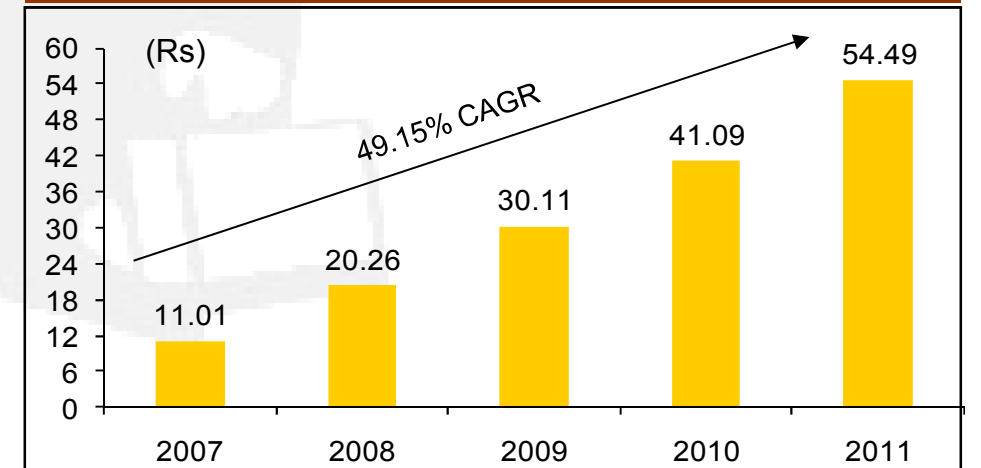
Net Interest Income



Net Profit

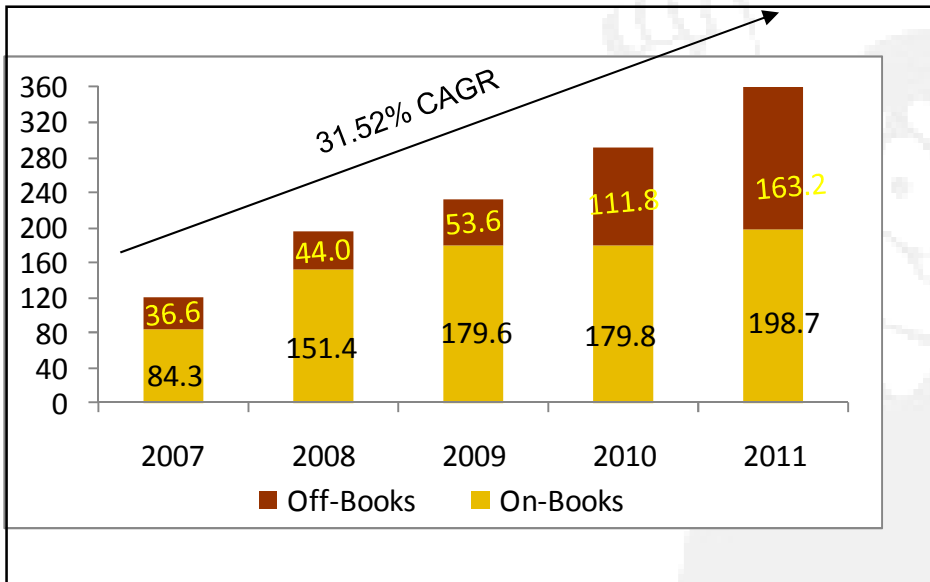


EPS

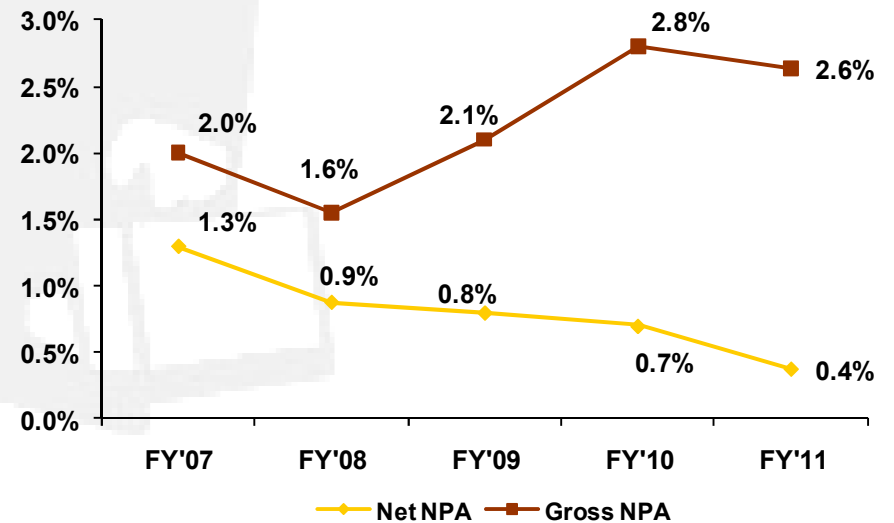


Driven by Fast Growth in AUM with Low NPAs

AUM (Rs bn)



NPA Levels





2 Business Analysis



Strengths

1

Widespread Geographical Reach

2

Valuation Skills & Recovery/Collection Operation

3

Strong Balance Sheet

4

Strong Management Team

5

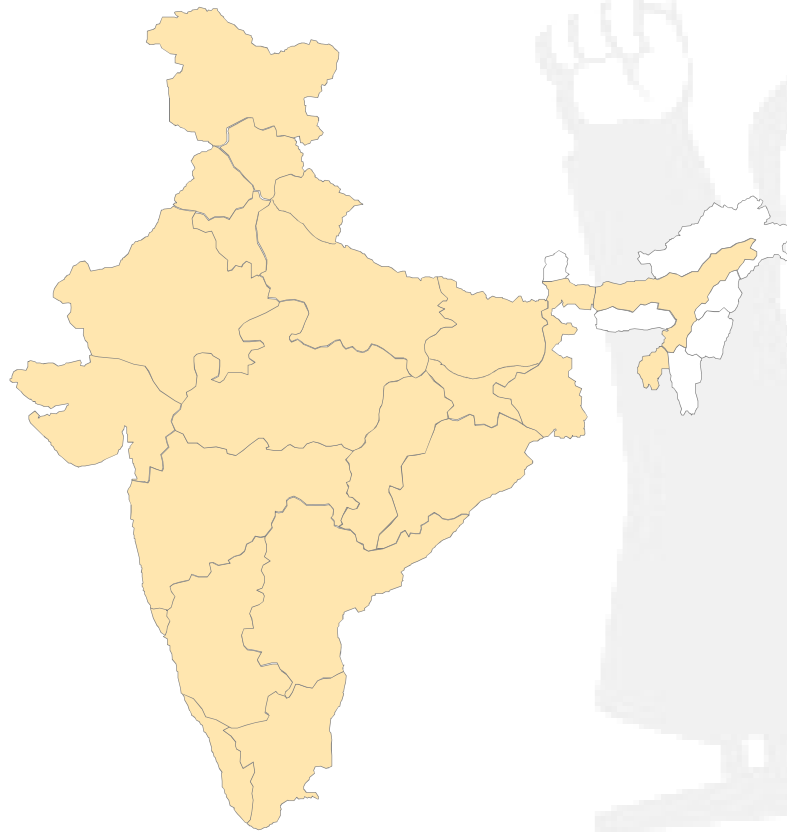
Organizational Structure: Credit Risk Focus

6

Strengthening Presence and Expanding Reach

Geographical Reach & Proximity to the Customer

Branch Locations Across India



States with STFC Presence

Pan-India Presence

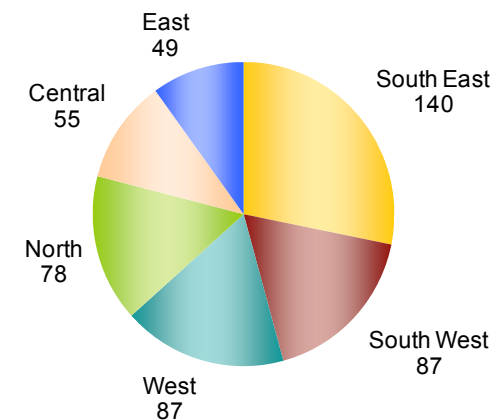
69 SBUs

496 Branch Offices

Tie up with **Over 500** Private Financiers

16,404 Employee including **9,339** Field Officers

Regional Split of Branches



As on September 30, 2011

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

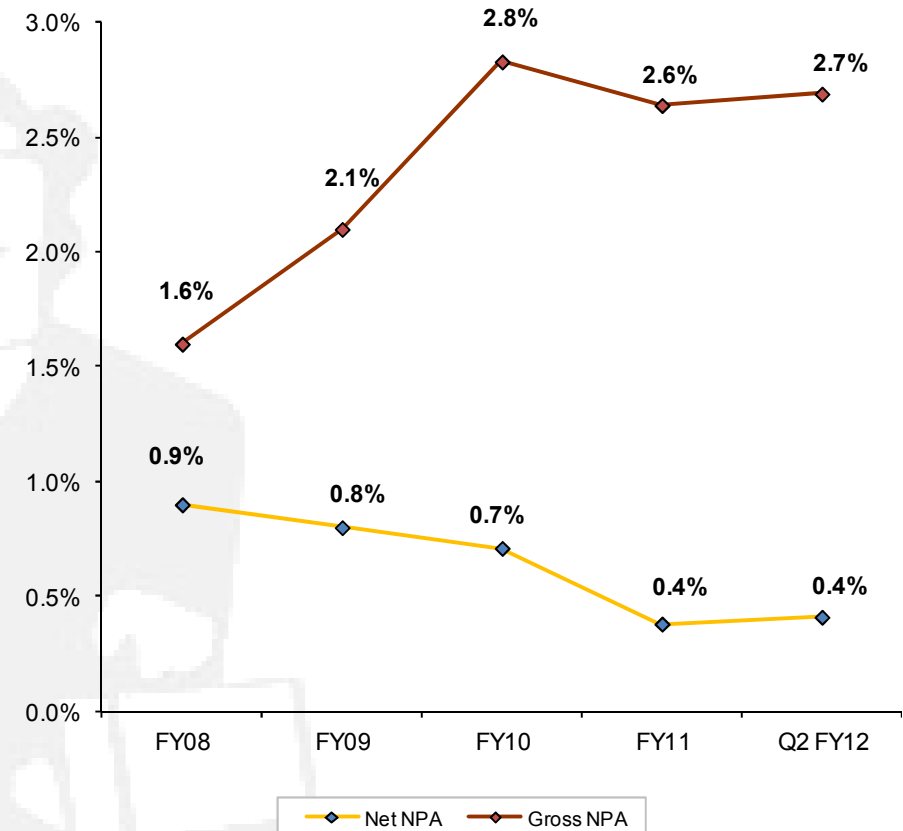
Reasons for Low Delinquency

- ❑ 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 85% coverage between Gross/Net NPA as on September 30, 2011

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
- ❑ 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 September 30, 2011: 23.80 %

Key Shareholders*	Current Shareholding (Mn Shares)	% age
Shriram Holdings Madras Pvt. Limited ⁽¹⁾	93.37	41.27
Genesis Indian Investment Company	16.81	7.43
ICICI Prudential Life Insurance Company	6.90	3.05
Ontario Teachers	5.45	2.41
Tiger Global	4.23	1.87
Fid. Funds (Mauritius) Limited	3.23	1.43
Stiching Pensioenfonds ABP	2.78	1.23
Wellington Management Company	2.76	1.22
Equinox Partners	2.65	1.17
Fidelity Investment Trust	2.33	1.03
Public & Others	85.71	37.89
Total	226.22	100.00

*As on September 30, 2011

Large Investments by major Institutional and Private Equity Investors

(1) TPG Newbridge has a stake in Shriram Holding Madras Pvt. Limited

3 Optimized Balance Sheet : Access to Low Cost Funds



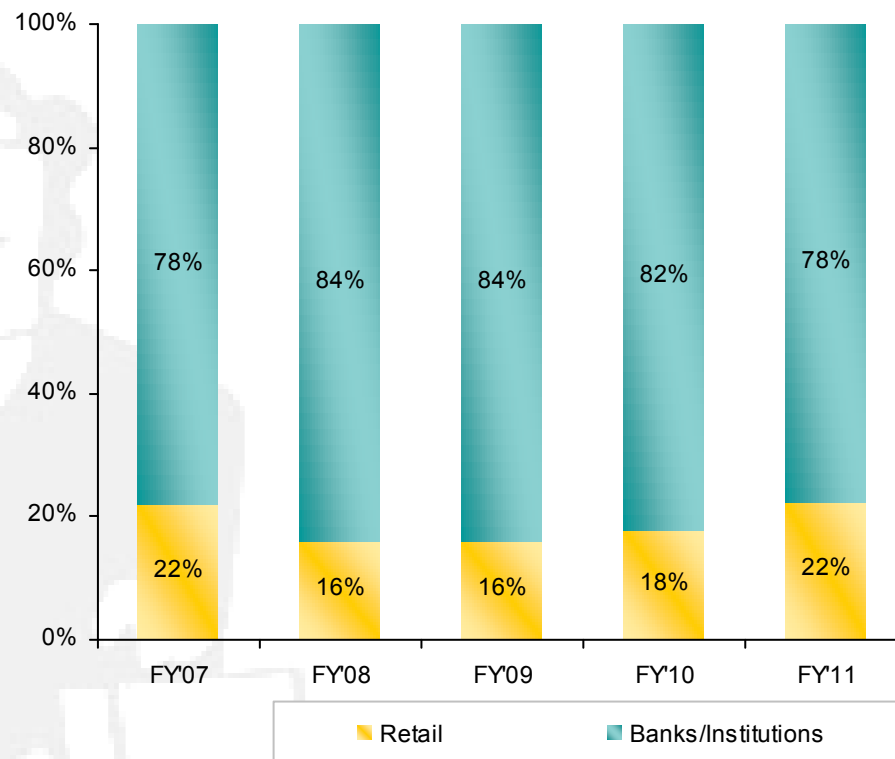
Borrowings

- ❑ 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. 137.49 bn at the end of Q2,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

- ❑ 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

Umesh Revenkar
Deputy Managing Director

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

Parag Sharma
CFO

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

Vinay Kelkar
Executive 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

S. Sunder
Senior Vice President

- ❑ 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

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

R Sridhar
Managing 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

Adit Jain
Director

- ❑ Currently Managing Director of IMA India and a Non-Executive Director on the Board of Sanmar Group, International Assets Reconstruction Company and PR Pundit
- ❑ Holds degrees in Mechanical Engineering and Business Administration

S Venkatakrishnan
Director

- ❑ Retired from the IAS. Served at senior positions in Finance Audit & Accounts departments of the government and other public undertakings
- ❑ Has been serving an advisor to Shriram Transport Finance for over a decade and is also on the Board of other Shriram Group companies

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

**Mukund Manohar
Chitale
Director**

- ❑ Practicing Chartered Accountant. Former President of Institute of Chartered Accountants of India
- ❑ Serves as Director on the Boards of L&T Ltd, ASREC (India) Ltd, Ram Ratna Wires Ltd, ONGC, Mangalore Petrochemicals Ltd. and Itz Cash Card Ltd

**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
Additional Director**

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

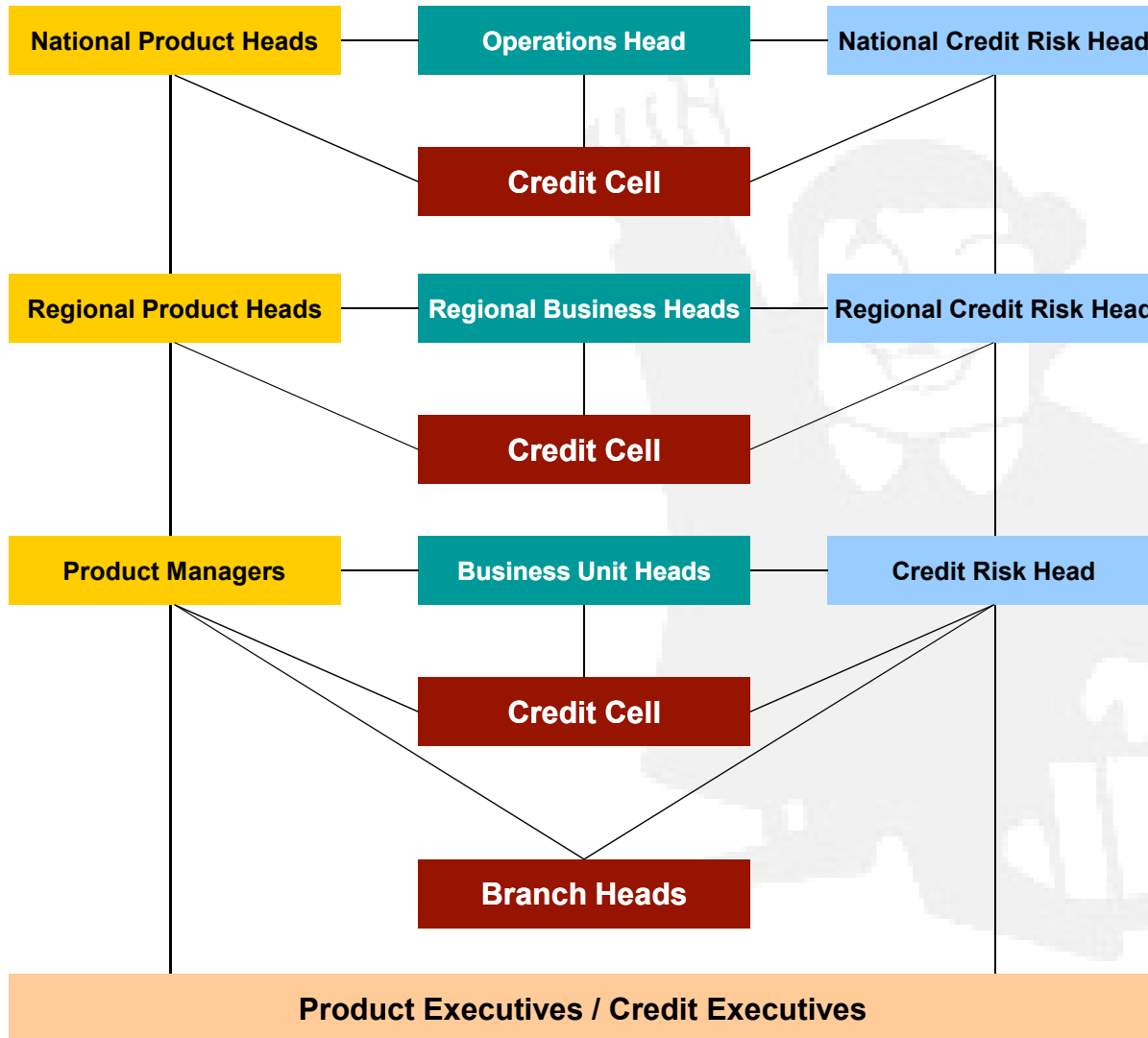
**Ranvir Dewan
Director**

- ❑ 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 (496 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

- ▣ **SBU Head (69 SBUs):**
 - Final deciding authority who oversees 8-10 branches

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, 2011

Axis Bank co-branded credit cards

- ❑ Tied up with Axis Bank to distribute credit cards to small truck owners
- ❑ Distributed over 1,70,000 credit cards as of March 31, 2011

6 Strengthening Presence and Expanding Reach (Contd.)

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. 120 bn for FY11 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. 205 bn in FY11

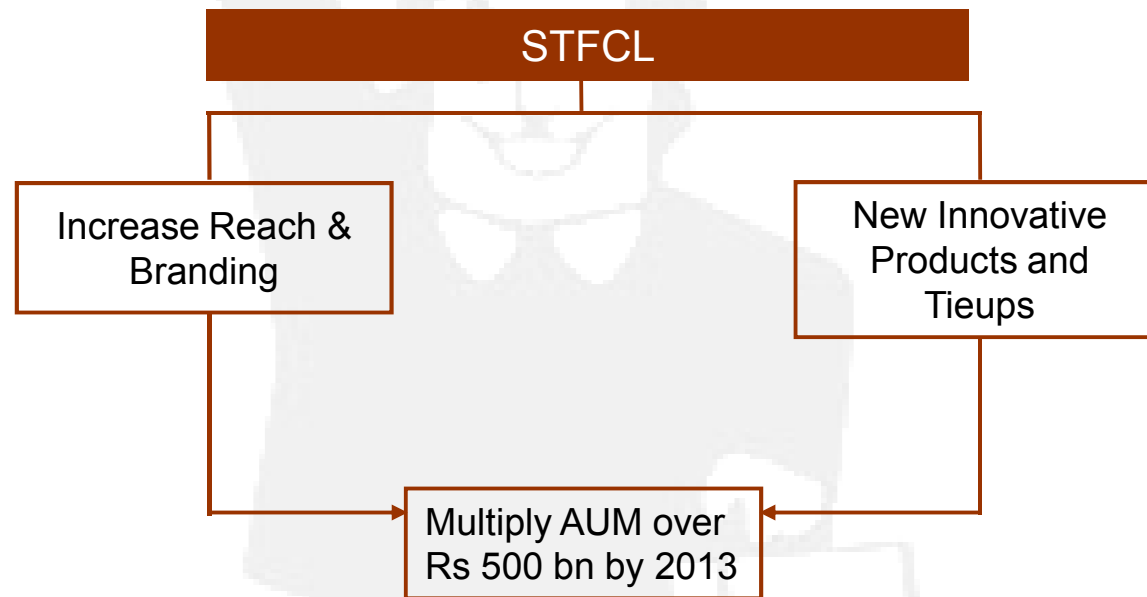
Construction Equipment Financing

- Market expected to grow at an annual rate of 30% to reach over Rs. 350 bn in 2011 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

Truck Bazaar

- Platform to facilitate buyers and sellers to meet for sale of pre-owned CVs, where STFC can earn commission fees through its advisory services and also provide financing to the buyer
- STFC is creating a market for pre-owned trucks and such Bazaars are held in every branch once a month

6 Target to reach AUM over Rs 500 bn by FY13



Well Planed Strategy for Future Growth

6 Innovative Marketing: AutoMalls & Electronic Touch Screen Kiosks

AutoMalls



- ❑ Pre-owned commercial vehicle hubs across India for sale of:
 - Pre-owned vehicles
 - Refurbished pre-owned CVs manufactured by various manufacturers (“Shriram New Look”) – Already launched in Tamil Nadu, Karnataka, Kerala & Andhra Pradesh branches and will be launched in other states in a phased manner
 - Repossessed vehicles with various financing companies
- ❑ AutoMalls would be a one-stop shop for all CV owners needs with facilities like workshops etc.
- ❑ STFC intends to provide electronic advertising and trading infrastructure at these AutoMalls
- ❑ The initiative would help STFC market its financial products and develop new customers

STFC opens its four AutoMall and another five to seven will be opened in FY12 and gradually expand to 50-60 AutoMalls over 12-24 months

Touch Screen Kiosks



- ❑ Physical Truck Bazaars shall be replaced by electronic Touch Screen Kiosks
- ❑ Kiosks are to be installed at branches and AutoMalls
- ❑ All data pertaining to vehicles including photographs shall be available at these kiosks
- ❑ Launched in more than 85% of the branches pan India and will be launched in other branches in a phased manner

These initiatives would help STFC establish a presence at the “Entry Point” for sale of pre-owned CV s

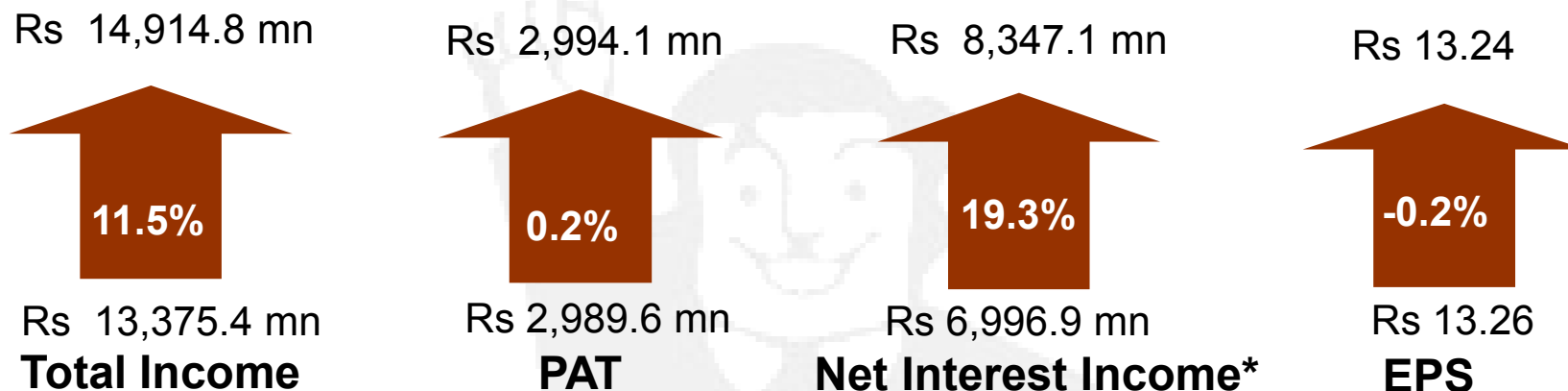


3 Recent Performance



Sustained Quarterly Growth Trend Continues

Performance Review Q2 FY'11 Vs. Q2 FY'12

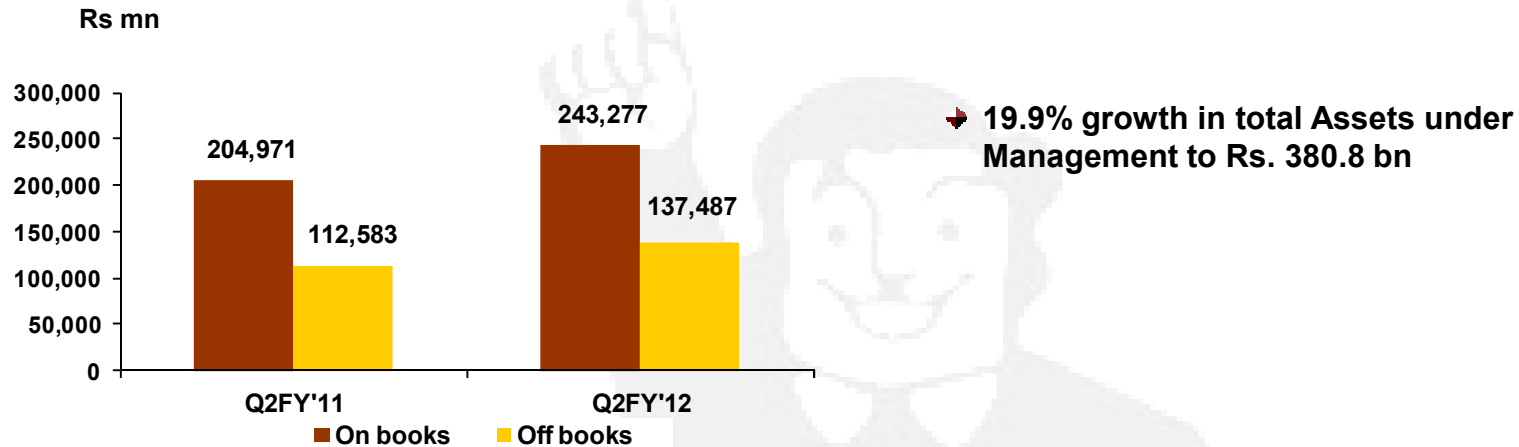


- ➔ **Strong growth in operating income driven by growth across key revenue streams:**
 - ✓ Securitisation Income (net) up by 45.7% to Rs 4,824.7 mn from Rs 3,310.7 mn (securitised asset portfolio of Rs 4,926 mn during Q2 FY'12)
- ➔ **Growing operating profits** by 20.4% to Rs 6,817.7 mn from Rs 5,664.5 mn
- ➔ **Gross spread increased** to 10.53% from 10.16% due to
 - ✓ **Decrease in interest cost** to 7.5% from 8.5%
- ➔ **Healthy asset quality** with Gross NPAs & Net NPA stood at 2.69% & 0.41% and the Net NPA in absolute amount stands at Rs. 986.9 mn against 977.2 mn (Coverage ratio maintained over 85%)
- ➔ **The decline in PAT** attributed mainly on account of higher provisions and writeoff made during the quarter to 2,363.3 from 1,419.9 (QoQ) because of mining issue
- ➔ **Added 1,468 new employees** to take the total strength to 16,404 from 14,936 including 9,339 field officers and reduced 82 employees from 16,486 to 16,404 (QoQ)
- ➔ **Interim Dividend** of Rs. 2.50 per share declared

* including Securitisation Income

Driven by Growing AUM

Assets under Management (On books & Off books)



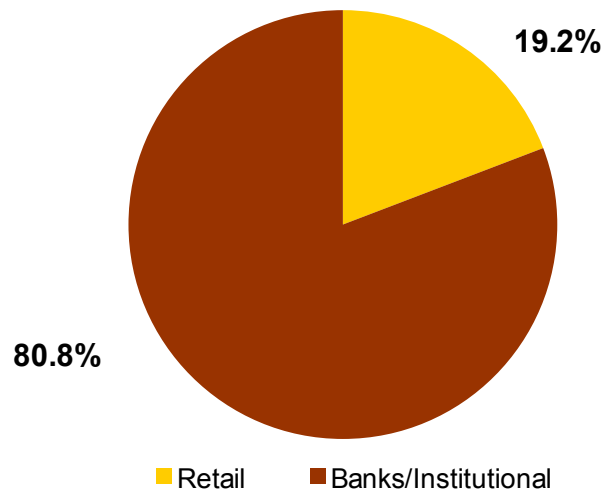
Assets under Management (New & Pre-owned CVs)



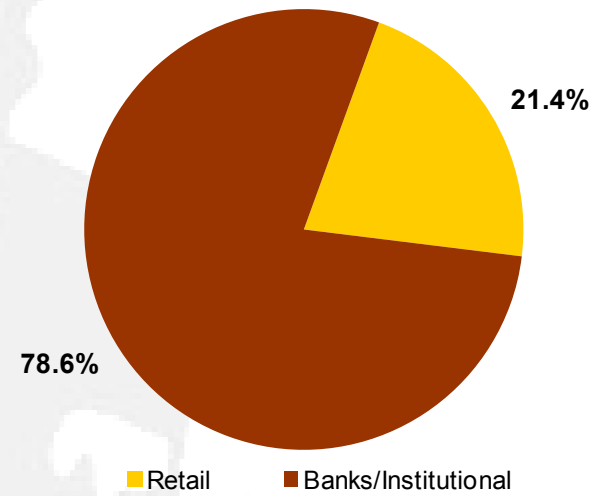
Supported by a Healthy Borrowing Profile

Borrowing Profile

Q2 FY'11 – Rs 203.3 bn



Q2 FY'12 – Rs 218.1 bn





4 Industry Opportunity



Exponential Growth in CV Financing

- Large CV Financing market size of Rs 900bn
- Shriram targets the largest market segment of 5-12 years, accounting for 38% 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

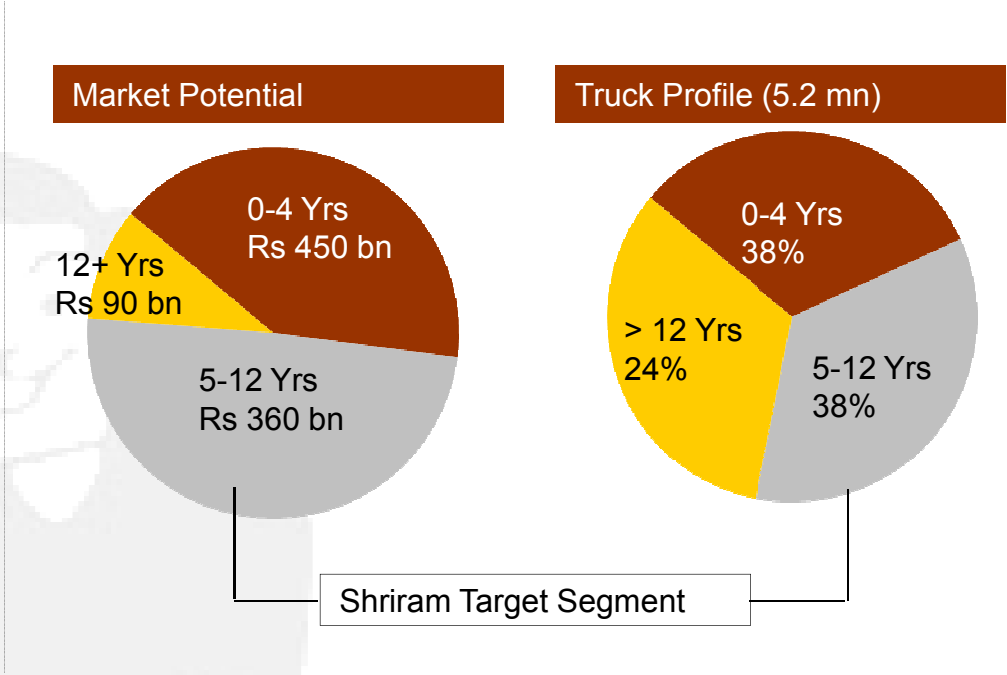
- Legislative pressure on banning trucks beyond 15 years is likely to trigger replacement boom
- Transport associations' introduction of Voluntary Retirement Scheme for old trucks with better financing options
- Financing amount of Rs 1,078bn to be triggered through replacement demand for 1.35mn new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

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

- Bharat III emission norms already implemented in 11 major cities
- Norms are likely to be implemented in the rest of the country over 2008-10

Growing freight capacity

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



Only Organised Player in the Pre-owned CV Financing Market

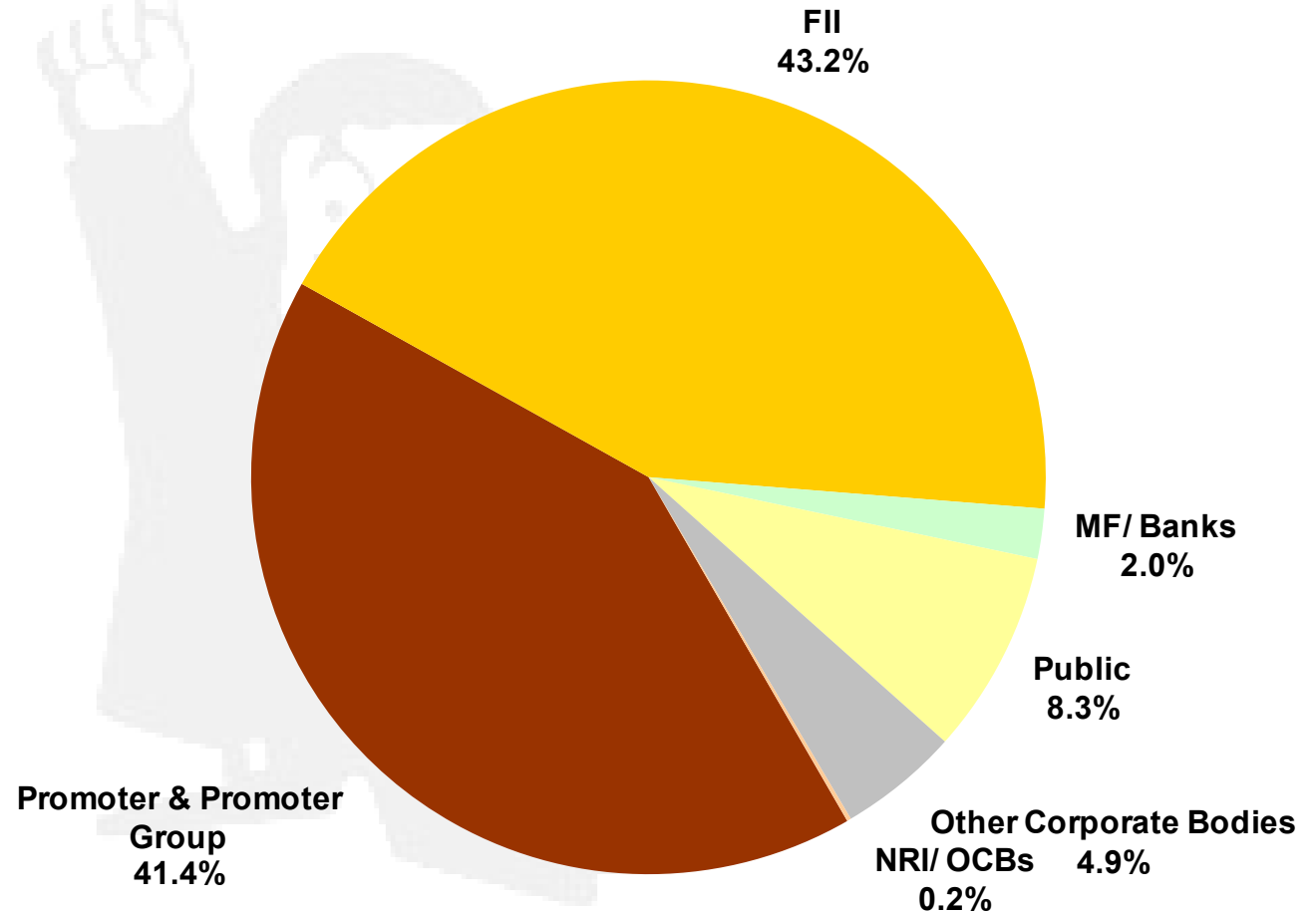


5 Annexures



Shareholding Structure as on September 30, 2011

No. of shares outstanding: 226.22mn



Profit and Loss Statement

								<i>Rs mn</i>
Profit & Loss Statement	Q2 FY'11	Q1 FY'12	Q2 FY'12	H1 FY'11	H1 FY'12	YoY %	QoQ %	FY'11
Interest Income	9,560.0	8,368.4	9,675.0	18,298.5	18,043.5	1.20%	15.61%	37,114.7
Interest expended	5,873.8	5,714.3	6,152.6	11,486.8	11,866.9	4.75%	7.67%	23,007.9
Net Interest Income	3,686.2	2,654.1	3,522.4	6,811.7	6,176.6	-4.44%	32.71%	14,106.8
Income from Securitisation	3,574.6	5,483.9	4,989.2	7,314.1	10,473.1	39.57%	-9.02%	15,850.1
Less : Securitisation Expenses	263.9	317.4	164.6	387.8	482.0	-37.64%	-48.14%	878.3
Income from Securitisation (Net)	3,310.7	5,166.5	4,824.7	6,926.4	9,991.1	45.73%	-6.61%	14,971.8
Net Interest Income including Income from Securitisation	6,996.9	7,820.6	8,347.1	13,738.1	16,167.7	19.30%	6.73%	29,078.6
Fees for trading	85.5	0.0	0.0	146.1	0.0	-100.00%	0.00%	270.3
Operating Income	7,082.4	7,820.6	8,347.1	13,884.2	16,167.7	17.86%	6.73%	29,348.9
Operating expenditure	1,566.6	1,677.7	1,787.6	3,073.0	3,465.3	14.10%	6.55%	6,373.3
Core Operating Profit (before Provisions & Contingencies)	5,515.8	6,142.9	6,559.5	10,811.2	12,702.4	18.92%	6.78%	22,975.6
Other Income	148.7	476.7	258.2	448.9	734.8	73.62%	-45.84%	685.0
Operating Profit	5,664.5	6,619.6	6,817.7	11,260.1	13,437.2	20.36%	2.99%	23,660.6
Provisions for Bad Debts	1,203.3	1,356.2	2,318.2	2,453.7	3,674.4	92.66%	70.94%	4,683.1
Provisions against Standard Assets	-	63.7	45.1	-	108.8	0.00%	-29.22%	488.2
PBT	4,461.2	5,199.7	4,454.4	8,806.4	9,654.0	-0.15%	-14.33%	18,489.3
Tax	1,471.6	1,726.7	1,460.3	2,927.4	3,187.0	-0.77%	-15.43%	6,190.5
PAT	2,989.6	3,473.0	2,994.1	5,879.0	6,467.0	0.15%	-13.79%	12,298.8
EPS (Rs)	13.26	15.36	13.24	26.07	28.59	-0.15%	-13.80%	54.49
Total CRAR %	23.73%	23.44%	23.80%	23.73%	23.80%	0.29%	1.53%	24.85%
Book Value (Rs)	194.55	230.59	243.30	194.55	243.30	0.00%	5.51%	215.22
Key Ratios (%)	Q2 FY'11	Q1 FY'12	Q2 FY'12	H1 FY'11	H1 FY'12	YoY %	QoQ %	FY'11
Return on Avg. Net Worth	27.93%	27.36%	22.17%	28.44%	24.68%	-20.62%	-18.96%	27.94%
Return on Avg. Assets	4.16%	4.31%	3.61%	4.20%	3.96%	-13.18%	-16.06%	4.20%
Interest Coverage Ratio	227.60%	250.76%	242.54%	228.15%	246.50%	6.56%	-3.28%	234.35%

Balance Sheet

	<i>Rs mn</i>							
	Q2 FY'11	Q1 FY'12	Q2 FY'12	H1 FY'11	H1 FY'12	YoY %	QoQ %	FY'11
Balance Sheet								
Liabilities								
Shareholder funds								
Equity Capital	2,255.6	2,262.1	2,262.5	2,255.6	2,262.5	0.30%	0.02%	2,261.8
Reserves	42,054.9	50,257.8	53,257.7	42,054.9	53,257.7	26.64%	5.97%	46,782.1
Preference Capital								
Loans								
Secured	154,052.3	143,172.0	165,092.8	154,052.3	165,092.8	7.17%	15.31%	148,693.8
Unsecured	49,288.4	50,411.5	53,033.1	49,288.4	53,033.1	7.60%	5.20%	50,049.0
Current Liabilities	54,437.9	89,245.3	57,276.5	54,437.9	57,276.5	5.21%	-35.82%	68,168.7
Total	302,089.1	335,348.7	330,922.6	302,089.1	330,922.6	9.54%	-1.32%	315,955.4
Assets								
Fixed Assets	427.8	370.0	368.4	427.8	368.4	-13.88%	-0.43%	384.3
Loans & Advances	1,587.5	1,711.5	2,111.7	1,587.5	2,111.7	33.02%	23.38%	1,548.8
Cash & Bank balances	48,273.9	62,567.8	38,984.3	48,273.9	38,984.3	-19.24%	-37.69%	36,251.1
Investments	19,504.1	8,608.4	15,699.4	19,504.1	15,699.4	-19.51%	82.37%	36,452.9
Truck receivables	204,485.4	221,273.7	242,090.9	204,485.4	242,090.9	18.39%	9.41%	197,690.0
Deferred Tax Asset	1,046.9	1,732.3	1,799.3	1,046.9	1,799.3	71.87%	3.87%	1,536.9
Current Assets	26,763.5	39,085.0	29,868.6	26,763.5	29,868.6	11.60%	-23.58%	42,091.4
Total	302,089.1	335,348.7	330,922.6	302,089.1	330,922.6	9.54%	-1.32%	315,955.4
Spread Analysis								
Total Income/ Avg. total assets	18.61%	17.76%	18.01%	18.73%	17.89%			18.40%
Interest cost/ Avg. total assets	8.45%	7.34%	7.48%	8.39%	7.41%			8.01%
Gross Spread	10.16%	10.42%	10.53%	10.34%	10.48%			10.39%
NPA provisioning/ Avg. total assets	1.68%	1.68%	2.80%	1.75%	2.25%			1.60%
Provisioning for standard assets/ Avg. total assets	0.00%	0.08%	0.05%	0.00%	0.07%			0.17%
Overhead Cost/ Avg. total assets	2.27%	2.22%	2.30%	2.29%	2.26%			2.32%
Net Spread	6.21%	6.44%	5.38%	6.30%	5.90%			6.30%

Details of Key Parameters (Profit & Loss Account)

Particulars		Q2 FY 2010 11	Q1 FY 2011 12	Q2 FY 2011 12	H1 FY 2010 11	H1 FY 2011 12	% YoY	% QoQ	Year ended FY 2011
Total Income	mn	13,375.4	14,336.6	14,914.8	26,221.1	29,251.3	11.51%	4.03%	53,947.1
Interest Income	mn	9,560.0	8,368.4	9,675.0	18,298.5	18,043.5	1.20%	15.61%	37,114.7
Securitisation Income	mn	3,310.7	5,166.5	4,824.7	6,926.4	9,991.1	45.73%	-6.62%	14,971.8
Total Interest Income	mn	12,870.7	13,534.9	14,499.7	25,224.9	28,034.6	12.66%	7.13%	52,086.5
Less : Interest Expenses	mn	5,873.8	5,714.3	6,152.6	11,486.8	11,866.9	4.75%	7.67%	23,007.9
Net Interest Income	mn	6,996.9	7,820.6	8,347.1	13,738.1	16,167.7	19.30%	6.73%	29,078.6
Other Income	mn	148.7	476.7	258.2	448.9	734.8	73.64%	-45.84%	685.0
Fee for Trading	mn	85.5	0.0	0.0	146.1	0.0	-100.00%	0.00%	270.3
Operating Income	mn	7,231.1	8,297.3	8,605.3	14,333.1	16,902.5	19.00%	3.71%	30,033.9
Cost to Income Ratio	%	20.94	19.56	20.24	20.73	19.91	-3.34%	3.48%	20.20
Profit after Tax	mn	2,989.6	3,473.0	2,994.1	5,879.0	6,467.0	0.15%	-13.79%	12,298.8
EPS	Rs.	13.26	15.36	13.24	26.07	28.59	-0.15%	-13.80%	54.49
ROA	%	4.16	4.31	3.61	4.20	3.96	-13.22%	-16.24%	4.20
ROE	%	27.93	27.36	22.17	28.44	24.68	-20.62%	-18.97%	27.94
NIM (on AUM)	%	7.75	7.59	8.19	7.78	7.89	5.68%	7.91%	7.83

Details of Key Parameters (Balance Sheet)

Particulars		Q2 FY 2010 11	Q1 FY 2011 12	Q2 FY 2011 12	H1 FY 2010 11	H1 FY 2011 12	% YoY	% QoQ	Year ended FY 2011
Asset under Management									
- On Books	mn	204,970.5	222,252.9	243,276.7	204,970.5	243,276.7	18.69%	9.46%	198,656.1
- Off Books	mn	112,582.8	147,719.3	137,487.2	112,582.8	137,487.2	22.12%	-6.93%	163,170.2
Total AUM	mn	317,553.3	369,972.2	380,763.9	317,553.3	380,763.9	19.91%	2.92%	361,826.3
Disbursement									
- Used CV	mn	34,637.3	37,089.9	37,830.8	67,968.6	74,920.7	9.22%	2.00%	149,239.4
- New CV	mn	11,010.9	10,752.1	10,113.1	17,415.6	20,865.2	-8.15%	-5.94%	49,597.5
Total Disbursement	mn	45,648.2	47,842.0	47,943.9	85,384.2	95,785.9	5.03%	0.21%	198,836.9
Securitisation done	mn	25,464.0	1,665.0	4,926.0	25,464.0	6,591.0	-80.66%	195.86%	102,036.0
Gross NPA	%	2.54	2.66	2.69	2.54	2.69	5.91%	1.13%	2.64
Net NPA	%	0.49	0.49	0.41	0.49	0.41	-16.33%	-16.33%	0.38
Gross NPA	mn	5,223.1	6,028.3	6,595.7	5,223.1	6,595.7	26.28%	9.41%	5,285.8
Net NPA	mn	977.2	1,089.5	986.9	977.2	986.9	0.99%	-9.42%	744.6
Coverage Ratio	%	81.29	81.93	85.04	81.29	85.04	4.61%	3.80%	85.91
CRAR	%	23.73	23.44	23.80	23.73	23.80	0.29%	1.54%	24.85
Book Value	Rs.	194.55	230.59	243.30	194.55	243.30	25.06%	5.51%	215.22

1. Shriram Equipment Finance Company Limited.

Total Disbursement – Rs. 3,909.99 mn in Q2 FY 12 (3,762.9 mn in Q1 FY 12)

Assets under Finance - Rs. 12,890.7 mn in Q2 FY 12 (9,575.2mn in Q1 FY 12)

PAT – Rs. 123.41 mn in Q2 FY 12 (74.13 mn in Q1 FY 12)

2. Shriram Automall India Limited.

- ONE STOP - Launched in more than 400 branches.
- SHRIRAM NEW LOOK - Launched in the State of Tamil Nadu, Andhra Pradesh, Kerala & Karnataka.
- AUTOMALL - Chennai - Operation started from 26th. February, 2011
 - Baroda - Operation started from 30th. April, 2011
 - Delhi – Operation started from 13th. August, 2011
 - Mumbai – Operation started from 22nd. October, 2011

3. Fees Income earned Rs. 131.9 mn in Q2 FY 12 (77.7 mn in Q1 FY 12) (Rs. 270.3 mn in FY 11)

Subsidiary - Shriram Equipment Finance Company Limited

Profit and Loss Statement



(Amount in Mn)

	Half year ended September 30, 2011	Half year ended September 30, 2010
INCOME		
Income from financing activities	785.90	-
Other income	9.48	0.35
Total	795.38	0.35
EXPENDITURE		
Interest & other charges	348.79	0.01
Personnel expenses	75.02	8.43
Operating & other expenses	51.19	2.47
Depreciation and amortisation	2.59	0.47
Provisions & written off	19.35	-
Preliminary expenses	-	-
Total	496.94	11.38
Profit/(Loss) before taxation	298.44	(11.03)
Provision for taxation		
Current Tax	106.82	0.02
Deffered Tax	(6.04)	0.01
Total tax expense	100.78	0.03
Profit/(Loss) after Tax	197.66	(11.06)
Balance brought forward from previous year	8.96	(0.12)
Profit available for appropriation	206.62	(11.18)
APPROPRIATIONS:		
Dividend on Preference shares	-	-
Tax on Preference dividend	-	-
Transfer to statutory reserve	-	-
Surplus /(Deficit) carried to Balance Sheet	206.62	(11.18)
Earnings per share		
Basic and Diluted (Rs.)	19.75	(5.27)
Nominal value of equity share (Rs.)	10.00	10.00

Subsidiary - Shriram Equipment Finance Company Limited



Balance Sheet

(Amount in Mn)

	As at September 30, 2011	As at March 31, 2011
<u>SOURCES OF FUNDS:</u>		
Shareholders' Funds		
Share capital	2,600.00	1,600.00
Reserves & Surplus	208.94	11.28
Loan Funds		
Secured loans	4,762.50	3,000.00
Unsecured loans	3,675.49	1,116.79
Total	11,246.93	5,728.07
<u>APPLICATION OF FUNDS:</u>		
Fixed and Intangible Assets		
Gross block	16.07	15.32
Less : Accumulated depreciation and amortisation	5.42	2.84
Net block	10.65	12.48
Deferred Tax Assets (net)	11.24	5.20
Current Assets, Loans and Advances		
Assets under financing activities	12,890.70	6,341.61
Cash & Bank Balances	34.40	1,336.66
Other current assets	-	0.82
	12,925.10	7,679.09
Loans & advances	10.61	4.38
	12,935.71	7,683.47
Less : Current Liabilities & Provisions		
Current liabilities	1,655.20	1,935.82
Provisions	55.47	37.26
	1,710.67	1,973.08
Net Current Assets	11,225.04	5,710.39
Total	11,246.93	5,728.07

Subsidiary - Shriram Automall India Limited

Profit and Loss Statement



	(Rs in mn)	
	For the period April 01, 2011 to September 30, 2011	For the period April 01, 2010 to September 30, 2010
Income		
Income from Operations	633.24	148.23
Other income	0.95	-
Total	634.19	148.23
Expenditure		
Purchase of commercial vehicles	368.43	358.59
Refurbishment expenses	15.02	12.41
Adjustment due to decrease/(increase) in stock of commercial vehicles	26.89	(231.76)
Personnel expenses	97.77	28.22
Operating & other expenses	111.67	34.04
Interest & other charges	16.18	-
Depreciation and amortisation	8.12	0.20
Total	644.08	201.70
Profit/(Loss) before taxation	(9.89)	(53.47)
Provision for taxation		
Current tax	-	-
Deferred tax	(1.92)	-
Total tax expense / (income)	(1.92)	-
Profit/(Loss) after taxation	(7.97)	(53.47)
Profit/(Loss) brought forward from previous year	(139.21)	(0.05)
Surplus/(Loss) carried to Balance Sheet	(147.18)	(53.52)
Earnings/(Loss) per share		
Basic & Diluted (Rs.)	(0.53)	(1069.42)
Nominal Value of Share (Rs.)	10.00	10.00

Subsidiary - Shriram Automall India Limited

Balance Sheet



	(Rs in mn)	
	As at September 30, 2011	As at March 31, 2011
SOURCES OF FUNDS		
Shareholders' Funds		
Share capital	200.00	100.00
Loan Funds		
Unsecured Loan - From Holding Company	270.71	275.58
Deferred Tax Liability (Net)	-	0.40
Total	470.71	375.98
APPLICATION OF FUNDS		
Fixed and Intangible Assets		
Gross block	57.09	32.91
Less : Accumulated depreciation and amortisation	9.98	1.86
Net block	47.11	31.05
Capital Work in Progress	96.52	27.88
Deferred tax asset	1.52	-
Current Assets, Loans and Advances		
- Stock in Trade	102.47	129.36
- Cash and bank balances	55.34	53.90
- Other current assets	0.01	-
- Loans and advances	75.19	62.38
	233.01	245.64
Less : Current Liabilities & Provisions		
Current liabilities	45.38	67.71
Provisions	9.25	0.09
	54.63	67.80
Net Current Assets	178.38	177.84
Profit and Loss Account	147.18	139.21
Total	470.71	375.98



**For any Investor Relations
queries please contact**

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About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is the largest asset financing NBFC with assets under management of Rs 380.76 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 69 SBUs and 496 branches, and employs 16,404 employees including 9,339 field officers. The company has built a strong customer base of over 0.80 mn. Over the past 33 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.



Thank You

