

SEC/FILING/BSE-NSE/21-22/68A-B

October 29, 2021

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

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

Dear Sirs,

Sub.: Investor Update / Presentation

Further to our letter dated 26th October 2021 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, we enclose herewith our Investor Update / Presentation.

Thanking you,

Yours faithfully,

For **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**



VIVEK ACHWAL
COMPANY SECRETARY

Encl.:a/a.

Shriram Transport Finance Company Limited

Corporate Office: Wockhardt Towers, Level — 3, West Wing, C-2, G-Block, Bandra — Kurla Complex, Bandra (East), Mumbai — 400 051. Tel: +91 22 4095 9595 | Fax: +91 22 4095 9597.

Registered Office: 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India. Tel: +91 44 4852 4666 | Fax: +91 44 4852 5666.

Website: www.stfc.in | Corporate Identity Number (CIN) — L65191TN1979PLC007874



Shriram Transport Finance Company Ltd

October 29, 2021



BUSINESS UPDATE

BUSINESS UPDATE

- * The collections for the months of July 2021, August 2021 and September 2021 were 98.05%, 99.56% and 99.49% of the demand respectively.
- * The Company has implemented resolution plans to relieve COVID-19 pandemic related to stress of eligible borrowers in 16,675 (Q1 - 10,257 and Q2 – 6,418) borrower accounts with a total outstanding of Rs. 6,086.7 mn (Q1 – 3,690.5 mn, Q2 – 2,396.2 mn) as of September 30, 2021.
- * The liquidity buffer and SLR investments was Rs. 172.28 bn and Rs. 25.89 bn respectively.

BUSINESS UPDATE

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

Particulars (Rs. mn)	FY20	FY21	Q1 FY22	Q2 FY22	Cumulative Provision till September 2021
Covid-19 Provision	9,096.40	16,818.40	2,610.20	-	28,525.00

The additional ECL provision on account of COVID – 19 is based on the Company's historical experience, collection efficiencies till date, internal assessment on the impacted segments 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 – Q2 FY22 vs Q2 FY21

Total Income	8.08% ↑	Q2 FY22	Rs 47,028.1 mn
		Q2 FY21	Rs 43,512.5 mn
Net Interest Income*	8.28% ↑	Q2 FY22	Rs 21,928.2 mn
		Q2 FY21	Rs 20,252.2 mn
* including Direct assignment Income Rs. 79.3 Mn (Q2 FY21 Rs. 711.4 Mn)			
PAT	12.66% ↑	Q2 FY22	Rs 7,712.4 mn
		Q2 FY21	Rs 6,845.6 mn
EPS	3.31% ↑	Q2 FY22	Rs 28.71
		Q2 FY21	Rs 27.79

* Cost to income ratio at 20.73 % in Q2 FY22 as compared to 21.83 % in Q2 FY21

Performance Highlights – H1 FY22 vs H1 FY21

Total Income	10.11% ↑	H1 FY22	Rs 93,543.1 mn
		H1 FY21	Rs 84,954.2 mn
Net Interest Income*	11.18% ↑	H1 FY22	Rs 43,002.7 mn
		H1 FY21	Rs 38,677.6 mn
* including Direct assignment Income Rs. 1130.6 Mn (H1 FY21 Rs. 711.4 Mn)			
PAT	6.31% ↓	H1 FY22	Rs 9,411.8 mn
		H1 FY21	Rs 10,046.2 mn
EPS	12.04% ↓	H1 FY22	Rs 35.87
		H1 FY21	Rs 40.78

* Cost to income ratio at 19.93 % in H1 FY22 as compared to 20.32 % in H1 FY21

Performance Highlights – Q2 FY22 vs Q2 FY21

AUM	7.32% ↑	Q2 FY22	Rs 1,216,467.7 mn
		Q2 FY21	Rs 1,133,459.3 mn
Gross Stage 3 assets	29.92% ↑	Q2 FY22	Rs 94,367.1 mn
		Q2 FY21	Rs 72,632.7 mn
Net Stage 3 assets	21.26% ↑	Q2 FY22	Rs 48,535.3 mn
		Q2 FY21	Rs 40,025.4 mn
Book Value	14.12% ↑	Q2 FY22	Rs 915.96
		Q2 FY21	Rs 802.66

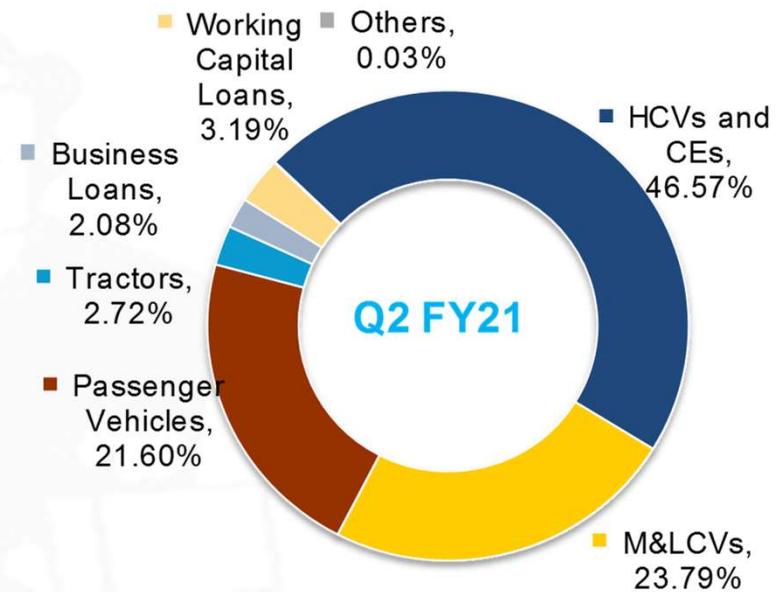
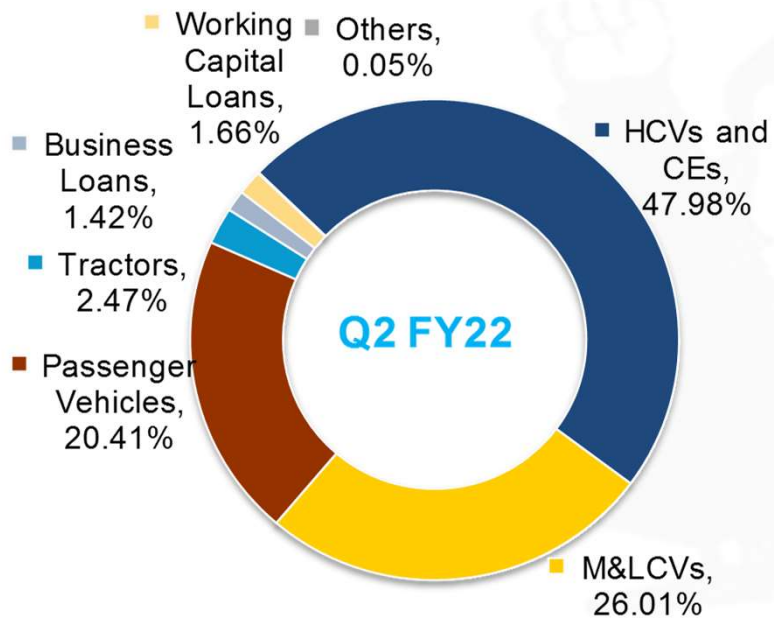
* CRAR at 23.21% as of Q2 FY22 compared to 23.44% as of Q2 FY21.

AUM Break-up

Particulars (Rs. mn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY (%)	QoQ (%)	H1 FY21	H1 FY22	YoY (%)	FY21
Loan Portfolio									
- On Books									
Balance sheet assets	873,031.2	969,732.9	997,366.3	14.24%	2.85%	873,031.2	997,366.3	14.24%	927,102.1
Securitised assets	244,232.1	211,274.1	209,421.3	-14.25%	-0.88%	244,232.1	209,421.3	-14.25%	234,813.9
Total On books	1,117,263.3	1,181,007.0	1,206,787.6	8.01%	2.18%	1,117,263.3	1,206,787.6	8.01%	1,161,916.0
- Off Books*	16,196.0	12,006.7	9,680.1	-40.23%	-19.38%	16,196.0	9,680.1	-40.23%	10,512.3
Total AUM	1,133,459.3	1,193,013.7	1,216,467.7	7.32%	1.97%	1,133,459.3	1,216,467.7	7.32%	1,172,428.3
- New	92,324.7	71,444.1	65,799.1	-28.73%	-7.90%	92,324.7	65,799.1	-28.73%	78,553.4
- Used	980,888.3	1,079,123.2	1,112,617.4	13.43%	3.10%	980,888.3	1,112,617.4	13.43%	1,045,733.3
- Business Loans	23,621.7	18,844.4	17,256.3	-26.95%	-8.43%	23,621.7	17,256.3	-26.95%	20,381.6
- Working capital loans	36,114.2	23,102.0	20,237.1	-43.96%	-12.40%	36,114.2	20,237.1	-43.96%	27,254.5
- Others	510.4	500.0	557.8	9.29%	11.56%	510.4	557.8	9.29%	505.5
Total AUM	1,133,459.3	1,193,013.7	1,216,467.7	7.32%	1.97%	1,133,459.3	1,216,467.7	7.32%	1,172,428.3

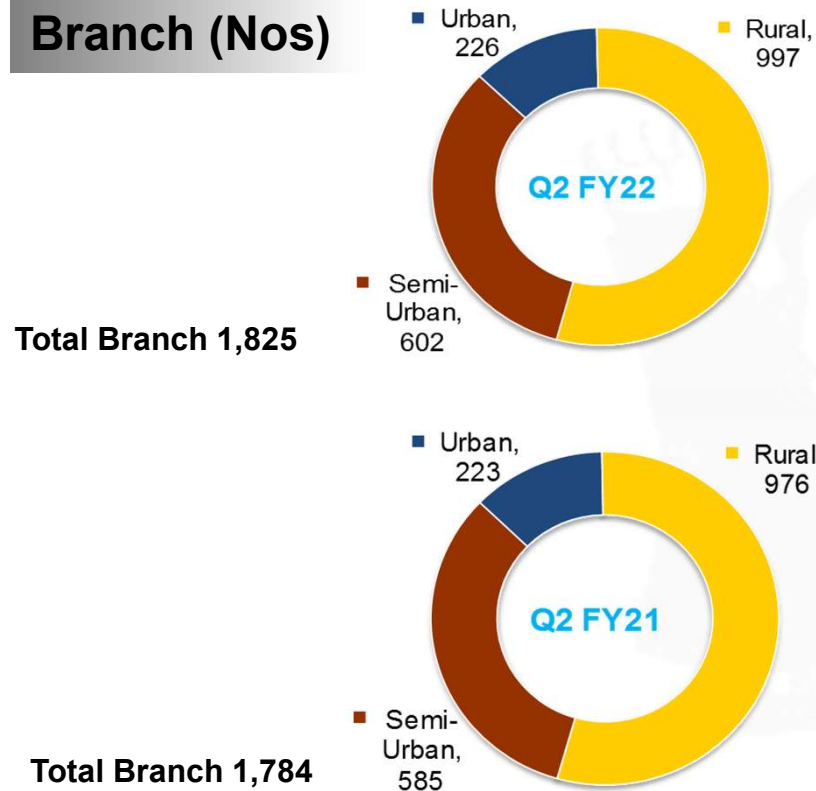
*Off Books pertains to Direct assignment portfolio

Segment-wise Break up

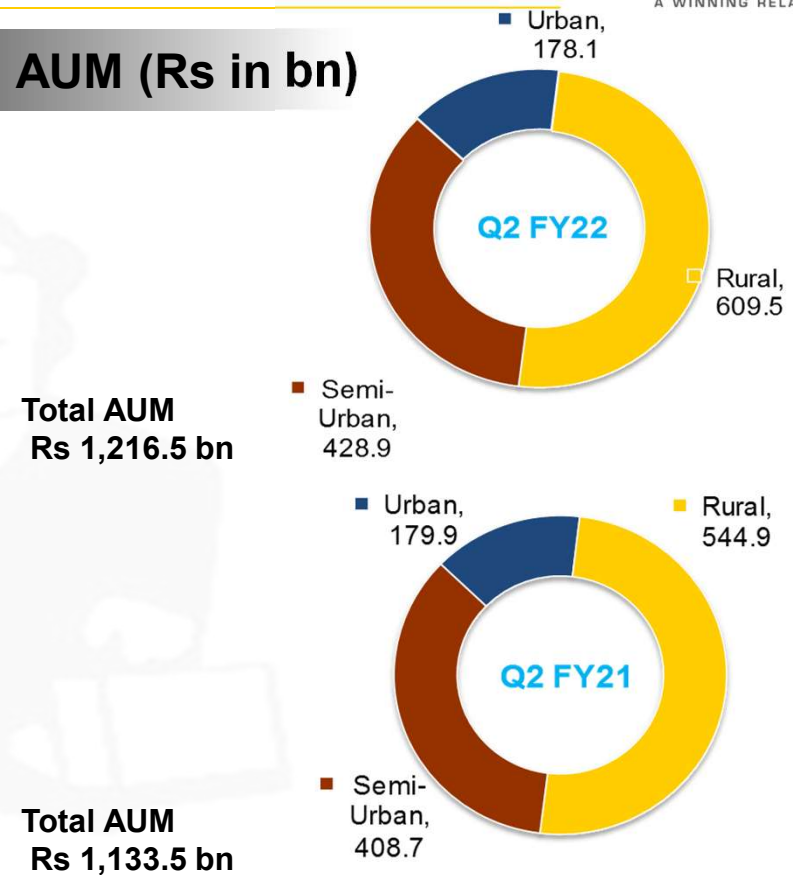


Branch & AUM distribution – Q2 FY22 vs Q2 FY21

Branch (Nos)

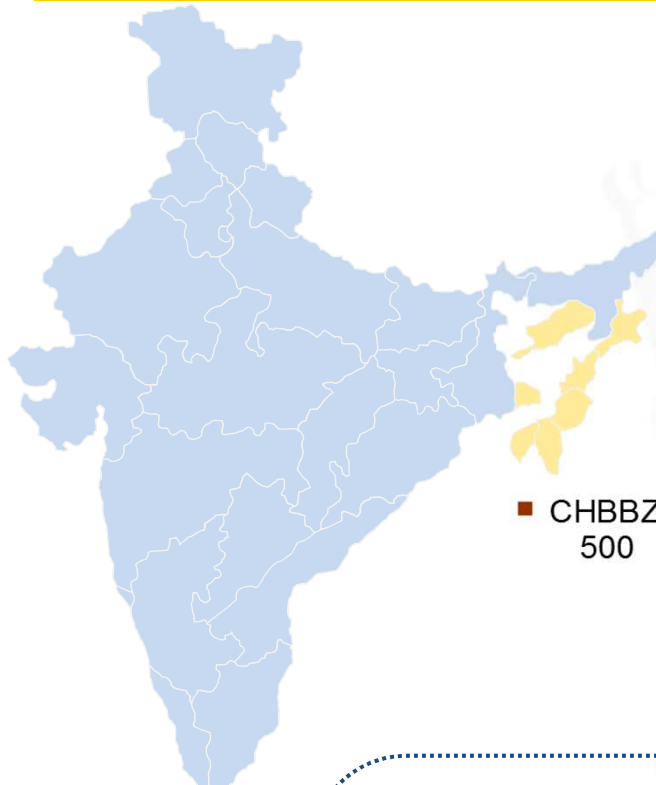


AUM (Rs in bn)

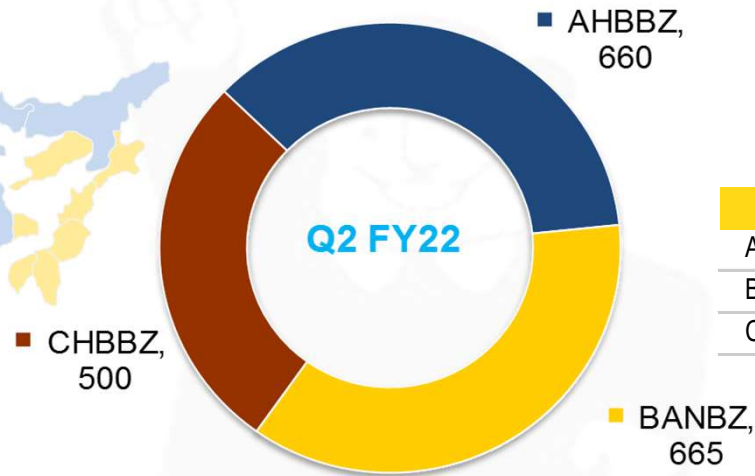


Urban branches represents places where population in more than 10 Lakh
 Semi-urban branches represents places where population in between 1 Lakh to 10 Lakh
 Rural branches represents places where population in less than 1 Lakh

Well-entrenched Pan India Network



Zonal Split of Branches



Abbreviations

Zone	Zone Name	Branches
AHBBZ	Ahmedabad Business Zone	660
BANBZ	Bangalore Business Zone	665
CHBBZ	Chennai Business Zone	500

Branch Network

1,825

Branch Offices

2.10 mn

Customers

24,160

Employees

18,488

Business Team

500

Private Financiers

809

Rural Centres

Provision Analysis

Particulars (Rs. mn)	Q2 FY21*	Q1 FY22	Q2 FY22	YoY (%)	QoQ (%)	H1 FY21	H1 FY22	YoY (%)	FY21
Gross Stage 3	72,632.7	96,584.2	94,367.1	29.92%	-2.30%	72,632.7	94,367.1	29.92%	82,952.1
ECL provision-Stage 3	32,607.3	42,648.8	45,831.8	40.56%	7.46%	32,607.3	45,831.8	40.56%	34,885.3
Net Stage 3	40,025.4	53,935.4	48,535.3	21.26%	-10.01%	40,025.4	48,535.3	21.26%	48,066.8
Gross Stage 3 (%)	6.50%	8.18%	7.82%	20.29%	-4.38%	6.50%	7.82%	20.29%	7.06%
Net Stage 3 (%)	3.69%	4.74%	4.18%	13.29%	-11.76%	3.69%	4.18%	13.29%	4.22%
Coverage Ratio (%) Stage 3	44.89%	44.16%	48.57%	8.18%	9.99%	44.89%	48.57%	8.18%	42.05%
Gross Stage 1	912,848.0	912,793.9	958,064.6	4.95%	4.96%	912,848.0	958,064.6	4.95%	952,169.3
ECL provision-Stage 1	28,793.7	30,021.5	31,416.4	9.11%	4.65%	28,793.7	31,416.4	9.11%	30,950.5
Net Stage 1	884,054.3	882,772.4	926,648.2	4.82%	4.97%	884,054.3	926,648.2	4.82%	921,218.8
Gross Stage 1 (%)	81.70%	77.29%	79.39%	-2.83%	2.72%	81.70%	79.39%	-2.83%	81.04%
ECL provision (%) Stage 1	3.15%	3.29%	3.28%	3.96%	-0.30%	3.15%	3.28%	3.96%	3.25%
Gross Stage 2	131,782.7	171,628.9	154,355.9	17.13%	-10.06%	131,782.7	154,355.9	17.13%	139,831.2
ECL provision-Stage 2	12,467.8	17,107.5	14,918.0	19.65%	-12.80%	12,467.8	14,918.0	19.65%	13,560.8
Net Stage 2	119,314.9	154,521.4	139,437.9	16.87%	-9.76%	119,314.9	139,437.9	16.87%	126,270.4
Gross Stage 2 (%)	11.80%	14.53%	12.79%	8.44%	-11.99%	11.80%	12.79%	8.44%	11.90%
ECL provision (%) Stage 2	9.46%	9.97%	9.66%	2.15%	-3.04%	9.46%	9.66%	2.15%	9.70%

*As per Supreme Court Order

P&L Statement

Particulars (Rs. mn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY (%)	QoQ (%)	H1 FY21	H1 FY22	YoY (%)	FY21
Interest income	43,271.1	46,339.3	46,814.5	8.19%	1.03%	84,544.7	93,153.8	10.18%	173,346.6
Interest expended	23,018.9	25,264.8	24,886.3	8.11%	-1.50%	45,867.1	50,151.1	9.34%	91,675.6
Net interest income	20,252.2	21,074.5	21,928.2	8.28%	4.05%	38,677.6	43,002.7	11.18%	81,671.0
Other Operating Income	-	-	-	-	-	-	-	-	-
Operating income	20,252.2	21,074.5	21,928.2	8.28%	4.05%	38,677.6	43,002.7	11.18%	81,671.0
Operating expenditure	4,714.5	4,493.0	4,955.2	5.11%	10.29%	8,345.3	9,448.2	13.22%	18,607.6
Core operating profit *	15,537.7	16,581.5	16,973.0	9.24%	2.36%	30,332.3	33,554.5	10.62%	63,063.4
Other income	221.1	161.4	195.5	-11.58%	21.13%	378.2	356.9	-5.63%	900.7
Operating profit	15,758.8	16,742.9	17,168.5	8.95%	2.54%	30,710.5	33,911.4	10.42%	63,964.1
Loan Losses & Provisions	6,554.6	14,396.0	6,762.0	3.16%	-53.03%	17,200.5	21,158.0	23.01%	31,184.0
Profit before tax	9,204.2	2,346.9	10,406.5	13.06%	343.41%	13,510.0	12,753.4	-5.60%	32,780.1
Tax Expense	2,358.6	647.5	2,694.1	14.22%	316.08%	3,463.8	3,341.6	-3.53%	7,907.5
Profit after tax	6,845.6	1,699.4	7,712.4	12.66%	353.83%	10,046.2	9,411.8	-6.31%	24,872.6
Other comprehensive Income (Net)	210.0	-119.6	-88.5	-142.14%	-26.00%	-1,704.5	-208.1	-87.79%	-930.2
Total Comprehensive Income	7,055.6	1,579.8	7,623.9	8.05%	382.59%	8,341.7	9,203.7	10.33%	23,942.4
EPS (Rs)	27.79	6.64	28.71	3.31%	332.38%	40.78	35.87	-12.04%	100.97
Tier I CRAR %	20.12%	21.05%	21.06%	4.67%	0.02%	20.12%	21.06%	4.67%	19.94%
Tier II CRAR %	3.32%	2.22%	2.15%	-35.24%	-2.99%	3.32%	2.15%	-35.24%	2.56%
Total CRAR %	23.44%	23.27%	23.21%	-0.98%	-0.26%	23.44%	23.21%	-0.98%	22.50%
Book Value (Rs)	802.66	882.09	915.96	14.12%	3.84%	802.66	915.96	14.12%	852.30

*Before Provisions & Contingencies

Balance Sheet

Particulars (Rs. mn)	Sep-20	Jun-21	Sep-21	YoY (%)	QoQ (%)	Mar-21
I. ASSETS						
Financial Assets						
Cash and cash equivalents	29,250.8	107,176.7	102,573.7	250.67%	-4.29%	110,509.3
Bank Balance other than above	63,006.2	53,056.6	53,361.2	-15.31%	0.57%	53,908.9
Derivative financial instruments	2,431.9	2,614.7	1,338.3	-44.97%	-48.82%	1,692.5
Receivables						
(I) Trade Receivables	61.1	52.9	59.3	-2.95%	12.10%	89.2
(II) Other Receivables	810.2	1,418.0	1,237.6	52.75%	-12.72%	499.0
Loans	1,043,394.5	1,091,229.3	1,114,621.5	6.83%	2.14%	1,083,030.4
Investments	29,762.7	33,524.9	56,432.6	89.61%	68.33%	31,978.5
Other-financial assets	378.4	468.9	514.4	35.94%	9.70%	490.3
Non Financial assets						
Current tax assets (net)	2,491.0	1,717.3	1,717.3	-31.06%	0.00%	1,717.3
Deferred tax assets (net)	1,291.1	8,830.0	9,322.3	622.04%	5.58%	6,391.4
Investment Property	20.1	19.9	19.8	-1.49%	-0.50%	20.0
Property, plant and equipment	1,323.5	1,174.2	1,129.3	-14.67%	-3.82%	1,244.4
Right-of-use assets	3,028.3	3,021.0	2,958.9	-2.29%	-2.06%	3,085.1
Other Intangible assets	23.0	25.8	34.8	51.30%	34.88%	23.9
Other non-financial assets	1,955.4	2,192.8	2,251.6	15.15%	2.68%	2,108.4
Total	1,179,228.2	1,306,523.0	1,347,572.6	14.28%	3.14%	1,296,788.6

Balance Sheet (Continued)

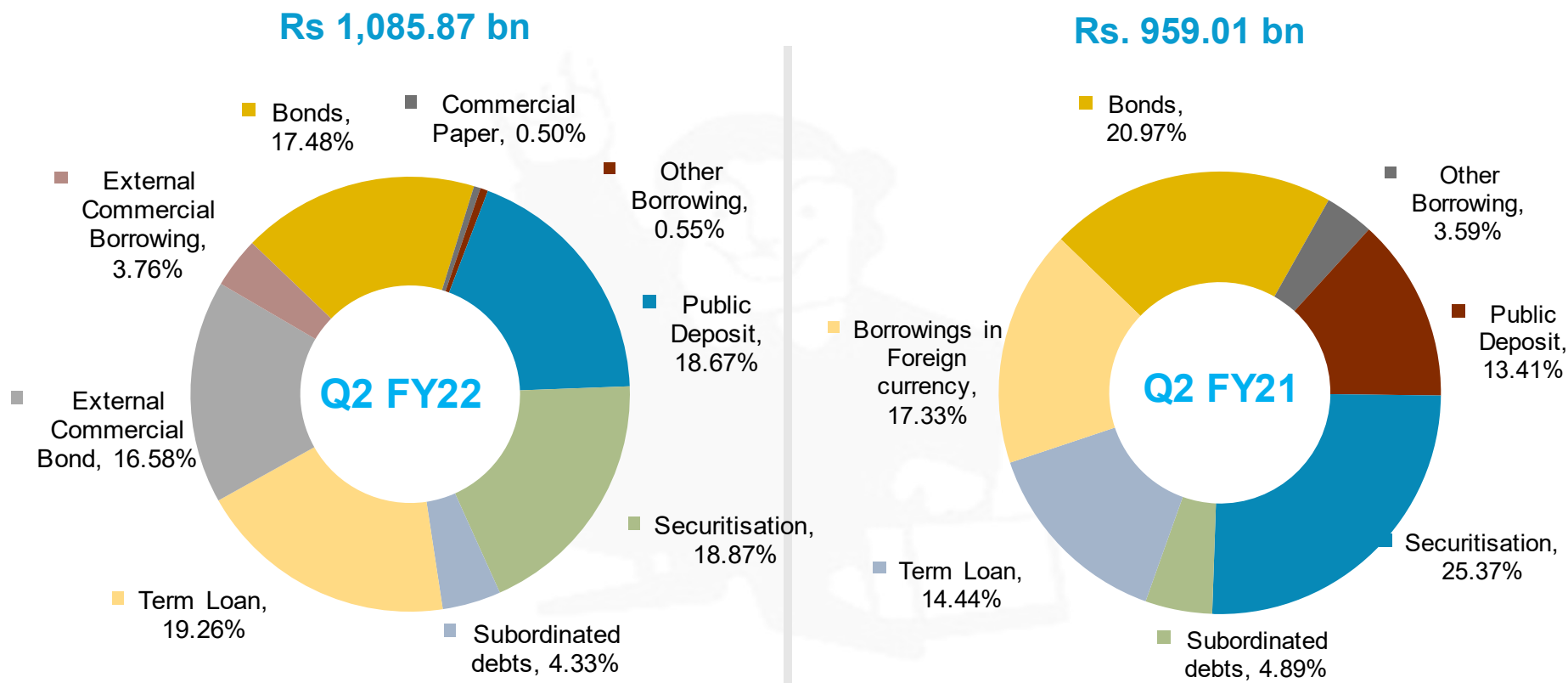
Particulars (Rs. mn)	Sep-20	Jun-21	Sep-21	YoY (%)	QoQ (%)	Mar-21
II. Liabilities and Equity						
Financial Liabilities						
Payables	1,244.4	2,383.6	2,677.1	115.13%	12.31%	2,564.2
Debt Securities	325,170.8	407,022.7	375,322.1	15.42%	-7.79%	400,618.7
Borrowings (other than debt securities)	457,796.9	420,096.1	460,465.7	0.58%	9.61%	452,813.7
Deposits	129,167.1	179,446.4	203,059.7	57.21%	13.16%	162,324.1
Subordinated Liabilities	46,871.1	46,604.9	47,025.6	0.33%	0.90%	46,207.6
Lease liabilities	3,405.1	3,448.0	3,404.1	-0.03%	-1.27%	3,494.9
Other financial liabilities	9,130.2	8,113.4	6,348.0	-30.47%	-21.76%	9,643.5
Non-financial Liabilities						
Current tax liabilities (net)	1,525.4	2,036.2	1,182.7	-22.47%	-41.92%	1,020.1
Provisions	1,490.3	1,464.5	1,427.8	-4.19%	-2.51%	1,425.4
Other non-financial liabilities	303.4	348.5	464.0	52.93%	33.14%	992.7
Equity						
Equity share capital	2,530.6	2,670.5	2,687.8	6.21%	0.65%	2,530.6
Other equity	200,592.9	232,888.2	243,508.0	21.39%	4.56%	213,153.1
Total	1,179,228.2	1,306,523.0	1,347,572.6	14.28%	3.14%	1,296,788.6

Key Metrics – Q2 FY22

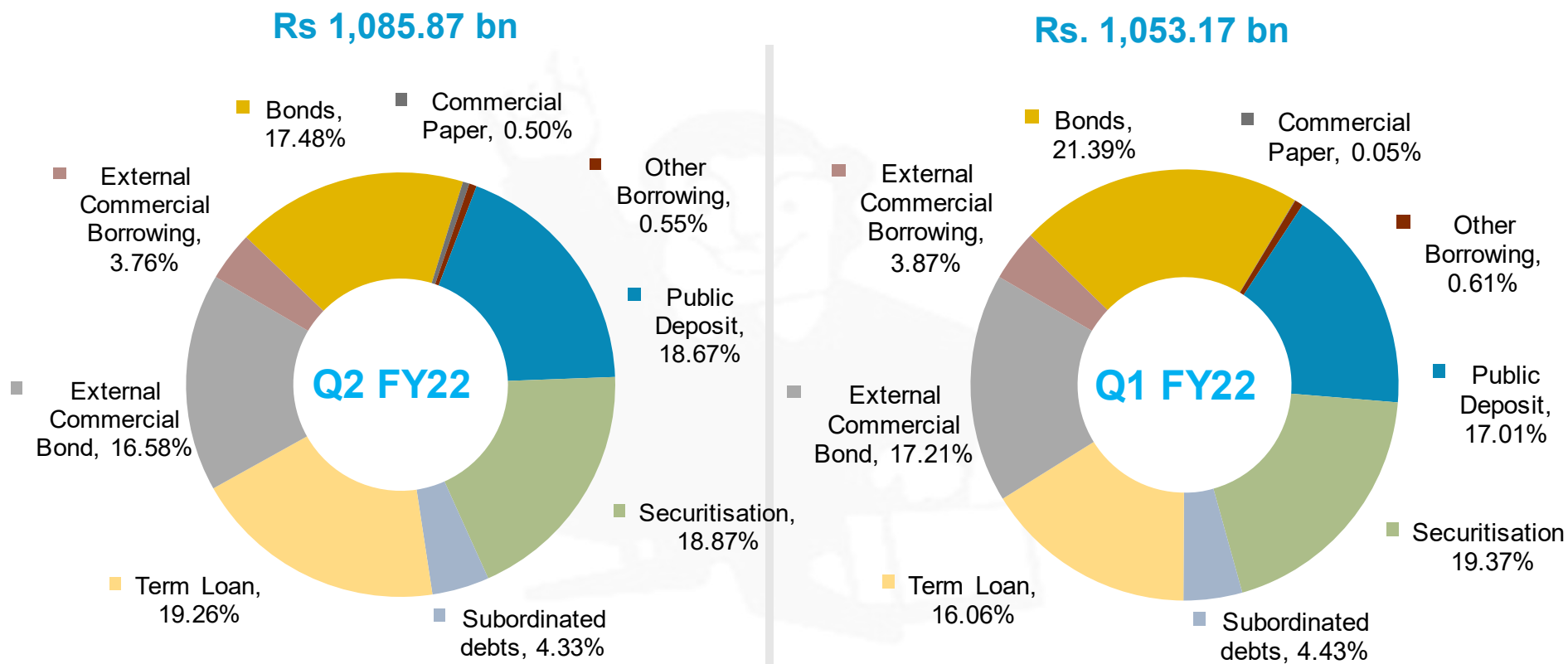
P&L Metrics (Rs. mn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY (%)	QoQ (%)	H1 FY21	H1 FY22	YoY (%)	FY21
Interest Income	43,271.1	46,339.3	46,814.5	8.19%	1.03%	84,544.7	93,153.8	10.18%	173,346.6
Less: Interest Expenses	23,018.9	25,264.8	24,886.3	8.11%	-1.50%	45,867.1	50,151.1	9.34%	91,675.6
Net Interest Income	20,252.2	21,074.5	21,928.2	8.28%	4.05%	38,677.6	43,002.7	11.18%	81,671.0
Other Operating Income & Other Income	221.1	161.4	195.5	-11.58%	21.13%	378.2	356.9	-5.63%	900.7
Profit After Tax	6,845.6	1,699.4	7,712.4	12.66%	353.83%	10,046.2	9,411.8	-6.31%	24,872.6
EPS (Rs.)	27.79	6.64	28.71	3.31%	332.38%	40.78	35.87	-12.04%	100.97
Cost to income Ratio (%)	21.83%	19.11%	20.73%	-5.04%	8.46%	20.32%	19.93%	-1.91%	21.20%
NIM (on AUM)	6.66%	6.38%	6.44%	-3.38%	0.87%	6.54%	6.41%	-2.09%	6.70%

Balance Sheet Metrics (Rs. mn)	Q2 FY21	Q1 FY22	Q2 FY22	YoY (%)	QoQ (%)	H1 FY21	H1 FY22	YoY (%)	FY21
Networth	202,847.1	235,282.3	245,919.4	21.23%	4.52%	202,847.1	245,919.4	21.23%	215,407.3
Book Value (Rs.)	802.66	882.09	915.96	14.12%	3.84%	802.66	915.96	14.12%	852.30
Interest Coverage (x)	1.89	1.84	1.89	0.00%	2.72%	1.85	1.86	0.54%	1.90
ROA (%)	2.22%	0.49%	2.18%	-1.71%	343.59%	1.64%	1.34%	-18.15%	1.98%
ROE (%)	14.24%	3.01%	12.81%	-10.09%	325.09%	10.78%	8.07%	-25.11%	12.57%
CRAR (%)	23.44%	23.27%	23.21%	-1.00%	-0.28%	23.44%	23.21%	-1.00%	22.50%

Borrowing Profile as on September 30, 2021 vs September 30, 2020



Borrowing Profile as on September 30, 2021 vs June 30, 2021



ALM statement on September 30, 2021

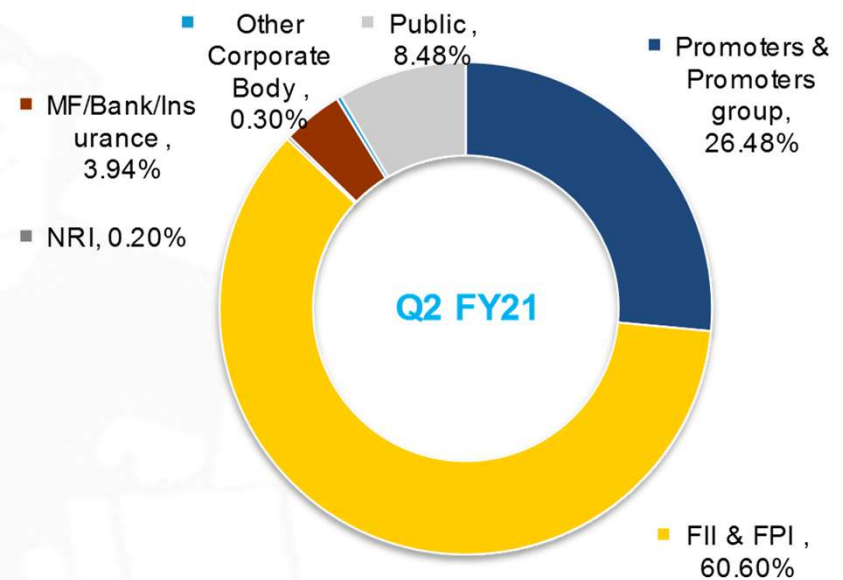
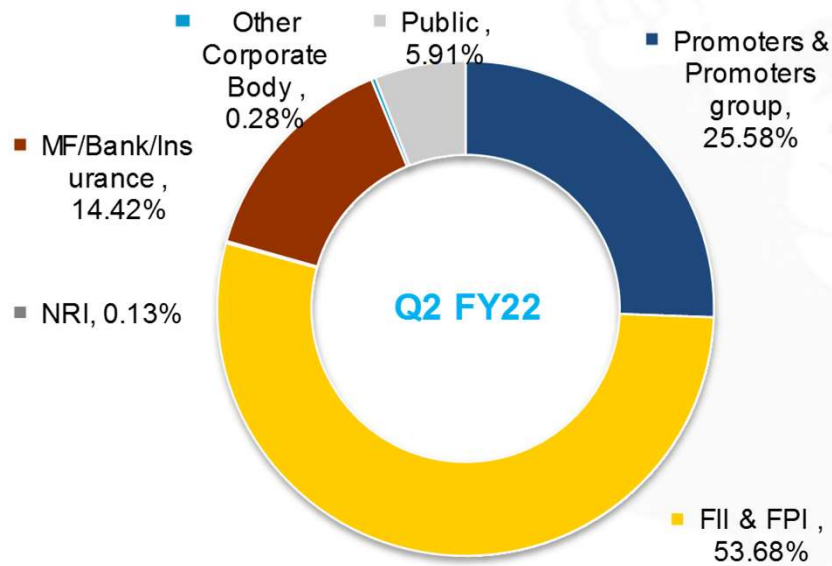
Particulars (Rs. Bn)	One month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 to 5 years	Over 5 years	Total
Total Outflows	44.69	21.14	47.17	113.28	156.52	547.39	114.86	326.25	1,371.30
Total Inflows	165.48	38.07	49.58	114.56	205.78	552.75	164.01	58.34	1,348.57
Mismatch	120.79	16.93	2.41	1.28	49.26	5.36	49.15	(267.91)	(22.73)
Cumulative mismatch	120.79	137.72	140.13	141.41	190.67	196.03	245.18	(22.73)	

Shareholding Pattern as on September 30, 2021 vs September 30, 2020



No. of shares outstanding: 268.78 mn

No. of shares outstanding: 253.06 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 Three fund raising :

1. On July 8, 2021, allotted 1.736 mn equity shares of face value of Rs. 10/- each aggregating to Rs. 2.5 bn on a preferential basis to Shriram Capital Limited, Promoter of the Company (Preferential Issue) for cash at a price of Rs. 1,440/- per equity Share (including a premium of Rs. 1,430/- per equity share). Further the Company allotted 1.736 mn warrants convertible into eqsveuity shares of face value of Rs. 10/- each aggregating to Rs. 2.5 bn on a preferential basis to Shriram Capital Limited, for cash at a price of Rs. 1,440/- per equity share (including a premium of Rs. 1,430/- per equity share) and had received the warrant subscription money of Rs. 0.62 bn, being 25% of the Issue price i.e. Rs. 360/- per Warrant.
2. On June 12, 2021, allotted 13.986 mn equity shares of face value of Rs. 10/- each aggregating to Rs. 19.99 bn to the eligible Qualified Institutional Buyers (QIB) for cash at a price of Rs. 1,430/- per equity share (including a premium of Rs. 1,420/- per equity share).
3. 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.

Key Shareholders	Current Shareholding (Mn Shares)	%
Shriram Capital Limited	68.70	25.56
Life Insurance Corporation of India	15.19	5.65
Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	10.66	3.97
Sanlam Life Insurance Limited	7.54	2.80
Government Pension Fund Global	6.15	2.29
J P Morgan Funds	6.14	2.28
Wishbone Fund Ltd.	4.38	1.63
T. Rowe Price International Value Equity Fund	4.25	1.58
HDFC Trustee Company Ltd.	4.85	1.80
T. Rowe Price International Value Equity Trust	3.37	1.25
Public & Others	137.55	51.19
Total	268.78	100.00

Contact Us

**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 Us



About Shriram Transport Finance Co. Ltd.

Shriram Transport Finance Co Ltd. is one of the largest asset financing NBFCs in India with Assets on Balance sheet of Rs. 121,647 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 1,825 branches, and employs 24,160 employees including 18,488 Business team. The company has built a strong customer base of approx. 2.10 mn. Over the past 42 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