



PRESS RELEASE

Friday, 29th. April, 2016, Mumbai : The Board Meeting of Shriram Transport Finance Company Limited (STFC), the largest asset financing NBFC in the country, was held today to consider the audited financial results for the fourth quarter and year ended 31st. March, 2016.

Merger :

On March 31, 2016, the Hon'ble Madras High Court has sanctioned the Scheme of Amalgamation of Shriram Equipment Finance Company Limited (SEFCL) with the Company under Section 391 to 394 of the Companies Act, 1956 ('the Scheme'). Accordingly, SEFCL has amalgamated with the Company from April 01, 2015 (the 'Appointed Date'). As such, the Standalone financial statements of the Company also include the financials of the SEFCL. The Certified True Copy of the Amalgamation Order of the Hon'ble Madras High Court was filed with Registrar of Companies, Tamil Nadu, on April 19, 2016 (the 'Effective Date').

Revision in NPA recognition Norms:

During the current quarter, pursuant to Reserve Bank India (RBI) notification no. DNBR 011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms of Non-Performing Assets (NPA) from 180 days to 150 days and increased provision on standard assets from 0.25% to 0.30%. Had the Company continued to use the earlier policy of classification of NPA and provision for standard asset, provisions and write offs for the quarter and year ended March 31, 2016 would have been lower by Rs. 30,071.80 lacs, income from operations for the same period would have been higher by Rs. 1,582.92 lacs and profit before tax for the same period would have been higher by Rs. 31,654.72 lacs (net of tax Rs. 20,699.65 lacs).

During the current quarter, the Company has revised its estimate for provision on non performing asset. Had the Company continued to use the earlier estimate for provision of non performing asset, provisions and write offs for the quarter and year ended March 31, 2016 would have been higher by Rs. 41,562.71 lacs and profit before tax for the same period would have been lower by Rs. 41,562.71 lacs (net of tax Rs. 27,178.69 lacs).

Note :

The figures for the current quarter/year includes figures of SEFC which has been amalgamated with the Company with effect from April 01, 2015 and are therefore not comparable with previous quarter/year.

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Financials (Standalone) :

Fourth quarter ended 31st March, 2016:

The Net interest income for the fourth quarter ended 31st March, 2016 stands at Rs. 1,443.78 crores as against Rs. 1,098.05 crores in the same period of the previous year. The profit after tax stands at Rs. 143.92 crores as against Rs. 316.73 crores recorded in the same period of the previous year. The earning per share (basic) for the fourth quarter ended 31st March, 2016 stands at Rs. 6.34 as against Rs. 13.96 recorded in the same period of the previous year.

Year ended 31st March, 2016 :

The Net interest income for the year ended 31st March, 2016 stands at Rs. 5,072.73 crores as against Rs. 4,134.42 crores of the previous year. The profit after tax stands at Rs. 1,178.20 crores as against Rs. 1,237.81 crores recorded in the previous year. The earning per share (basic) for the financial year ended 31st March, 2016 stands at Rs. 51.93 from Rs. 54.56 recorded in the previous year.

Dividend :

STFC has proposed a final dividend of Rs. 6.00 (60%) per share. This is in addition to the interim dividend of Rs. 4.00 (40%) per share declared at the Board Meeting held on 20th October, 2015 making the total dividend of Rs. 10.00 (100%) per share as against the total dividend of Rs. 10.00 (100%) per share paid for 2014 – 15.

Assets under Management :

Total Assets under Management as on 31st March, 2016 stands at Rs. 72,760.60 crores as compared to Rs. 59,108.28 crores as on 31st March, 2015.

Change in CEO & Managing Director :

Shriram Transport Finance Company Ltd. also announced that its Board of Directors has appointed Mr. JS Gujral as CEO & Managing Director of Shriram Transport Finance Company Ltd following the elevation of Mr. Umesh Revankar into Shriram Capital, the Group's holding company. Under Mr. Umesh's leadership, Shriram Transport Finance Company Ltd has increased its assets under management to more than Rs. 70,000 crores. In his new role, Mr. Umesh Revankar will be responsible for driving synergies across the Shriram Group.

Mr. JS Gujral has been with the Shriram Group since 1988. He was the CEO of Shriram Overseas Finance where he was responsible for growing the commercial vehicle financing business in North India. He then became the founding MD & CEO of Shriram General Insurance. Within a short span of 8 years, Mr. Gujral has built one of the most profitable general insurers with gross written premium in excess of Rs. 1,700 crores.

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About Shriram Transport Finance Company Limited.

Shriram Transport Finance Company Limited is the flagship company of the Shriram group which has significant presence in Consumer Finance, Life Insurance, General Insurance, Stock Broking and Distribution businesses. Established in 1979, Shriram Transport is today the largest asset financing NBFC in the country and holistic finance provider for the commercial vehicle industry and seeks to partner small truck owners for every possible need related to their assets. It has PAN India presence with 853 branch offices. Based at Mumbai, it manages assets over Rs 72,750 crores and has a live customer base exceeding 13 lacs.

For Further information, please contact:

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