



# CONTENTS

CORPORATE INFORMATION	1
ABOUT US	2
PERFORMANCE IN NUMBERS	4
ANNUAL PERFORMANCE TRENDS STANDALONE BASIS	5
OUR REACH	7
MANAGEMENT DISCUSSION & ANALYSIS	8
DIRECTORS' REPORT	13
CORPORATE GOVERNANCE REPORT	44
BUSINESS RESPONSIBILITY REPORT	62
STANDALONE ACCOUNTS	71
CONSOLIDATED ACCOUNTS	136
NOTICE	187

## FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

# CORPORATE

## INFORMATION

**Corporate Identity Number (CIN)**  
L65191TN1979PLC007874

### BOARD OF DIRECTORS

**Chairman (Non – Executive)**  
Mr. S. Lakshminarayanan (Independent)

**Managing Director & CEO**  
Mr. Umesh Revankar

**Directors**  
Mr. S. M. Bafna (Independent)  
Mr. Amitabh Chaudhry (Independent)  
Mrs. Kishori Udeshi (Independent)  
Mr. S. Sridhar (Independent)  
Mr. Puneet Bhatia  
Mr. Gerrit Lodewyk Van Heerde  
Mr. D. V. Ravi

### COMPANY SECRETARY

Mr. Vivek Achwal

### AUDITORS

M/s. Haribhakti & Co., LLP, Chartered Accountants  
M/s. Pijush Gupta & Co., Chartered Accountants

### REGISTRAR & SHARE TRANSFER AGENT

Integrated Registry Management Services  
Private Limited,  
2nd Floor, 'Kences Towers', No. 1,  
Ramakrishna Street, North Usman Road,  
T. Nagar, Chennai - 600 017. Tel: 044 2814 0801/02/03,  
Fax: 044 2814 2479

### DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor, 17, R Kamani Marg,  
Ballard Estate, Mumbai – 400 001.  
Mr. Subrat Udgata  
Tel No. : +91 22 40807000 | Fax: + 91 22 66311776  
itsl@idbitrustee.com

Axis Trustee Services Limited  
Axis House, Wadia International Centre,  
Pandurang Budhkar Marg, Worli, Mumbai – 400 025  
Ms. Mangalagowri Bhat  
Tel: +91 22 62260075/74  
debenturetrustee@axistrustee.com

Catalyst Trusteeship Limited (Formerly known as GDA  
Trusteeship Limited)  
Office No. 83 – 87, 8th floor, 'Mittal Tower', 'B' Wing,  
Nariman Point, Mumbai – 400021  
Mr. Umesh Salvi  
Tel No : +91 22 – 49220555 Fax No +91 22 49220505  
umesh.salvi@ctltrustee.com

### REGISTERED OFFICE

Mookambika Complex, 3rd Floor, No. 4,  
Lady Desika Road, Mylapore, Chennai – 600 004.  
Tel: +91 44 2499 0356 Fax: +91 44 2499 3272

### CORPORATE OFFICE

Wockhardt Towers, West Wing, Level-3, C-2, G-Block,  
Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra.  
Tel: 022 4095 9595, Fax: 022 4095 9597

### LISTED AT

National Stock Exchange of India Ltd.  
BSE Limited

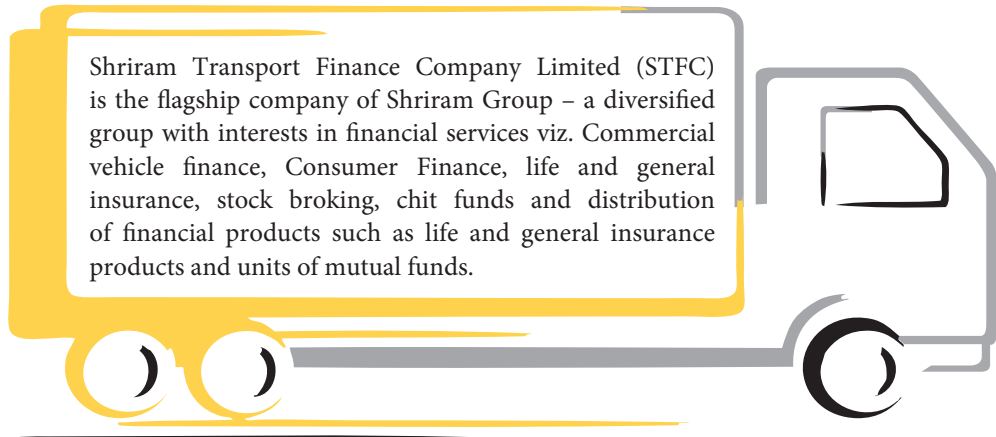
### LIST OF INSTITUTIONS

Small Industries Development Bank of India (SIDBI)  
National Bank for Agriculture and Rural Development (NABARD)  
J P Morgan Securities India Private Limited  
Citicorp Finance India Limited  
Micro Units Development and Refinance Agency Bank (MUDRA)

### LIST OF BANKS

Abu Dhabi Commercial Bank  
Allahabad Bank  
Andhra Bank  
Axis Bank Limited  
Bank of America N.A.  
Bank of Bahrain & Kuwait B.S.C  
Bank of Baroda  
Bank of India  
Bank of Maharashtra  
The Bank of Tokyo Mitsubishi UFJ, Ltd  
Barclays Bank Plc  
Canara Bank  
Central Bank of India  
Citibank N.A.  
DBS Bank Ltd  
Dena Bank  
Deutsche Bank AG  
FirstRand Bank Ltd  
HDFC Bank Limited  
The Hongkong and Shanghai Banking  
Corporation Ltd  
ICICI Bank Limited  
IDBI Bank Limited  
IDFC Bank Limited  
Indian Bank  
Indian Overseas Bank  
IndusInd Bank

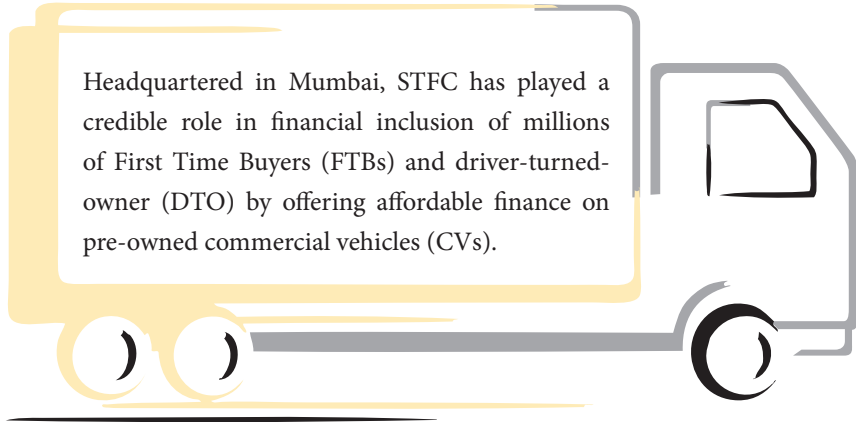
Karnataka Bank Limited  
Kotak Mahindra Bank Limited  
Mizuho Bank Limited  
Oriental Bank of Commerce  
Punjab & Sind Bank  
Punjab National Bank  
Qatar National Bank S.A.Q.  
RBL Bank Limited  
Shinhan Bank  
SBM Bank (Mauritius) Limited  
South Indian Bank Limited  
Standard Chartered Bank  
State Bank of India  
Sumitomo Mitsui Banking  
Corporation  
Syndicate Bank  
The Federal Bank Limited  
The Zoroastrian Co-operative  
Bank Limited  
UCO Bank  
Union Bank of India  
United Bank Of India  
United Overseas Bank  
Vijaya Bank  
Woori Bank  
Yes Bank Limited



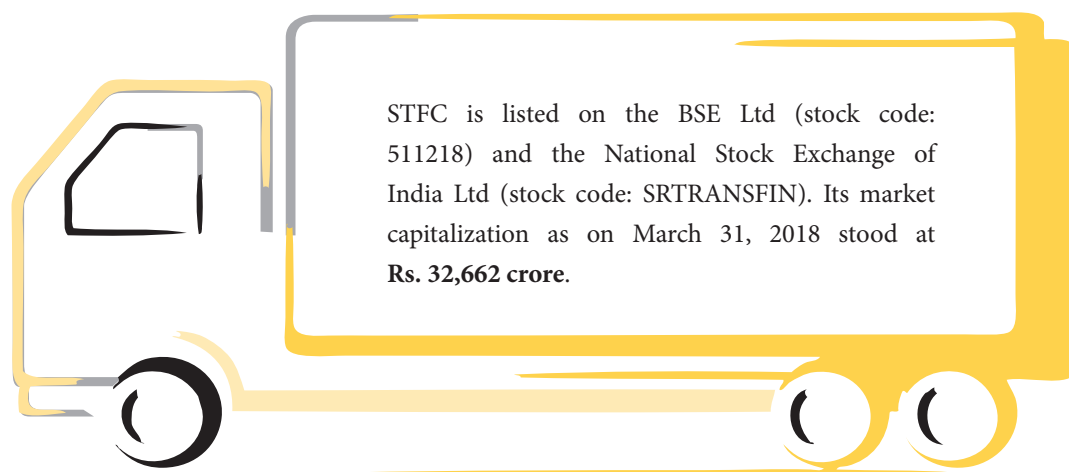
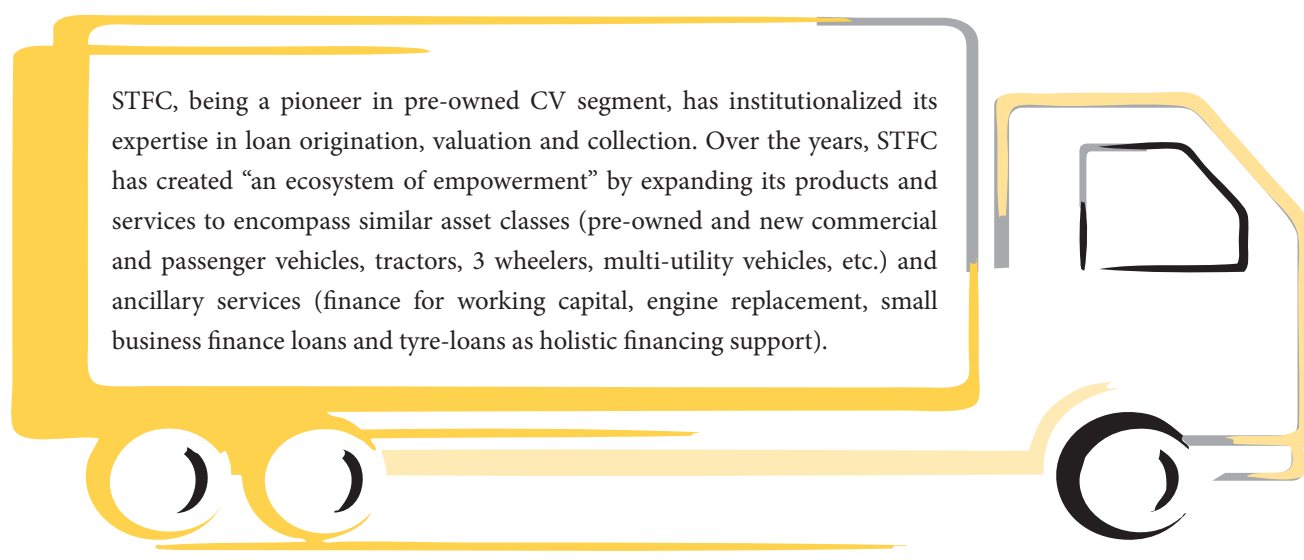
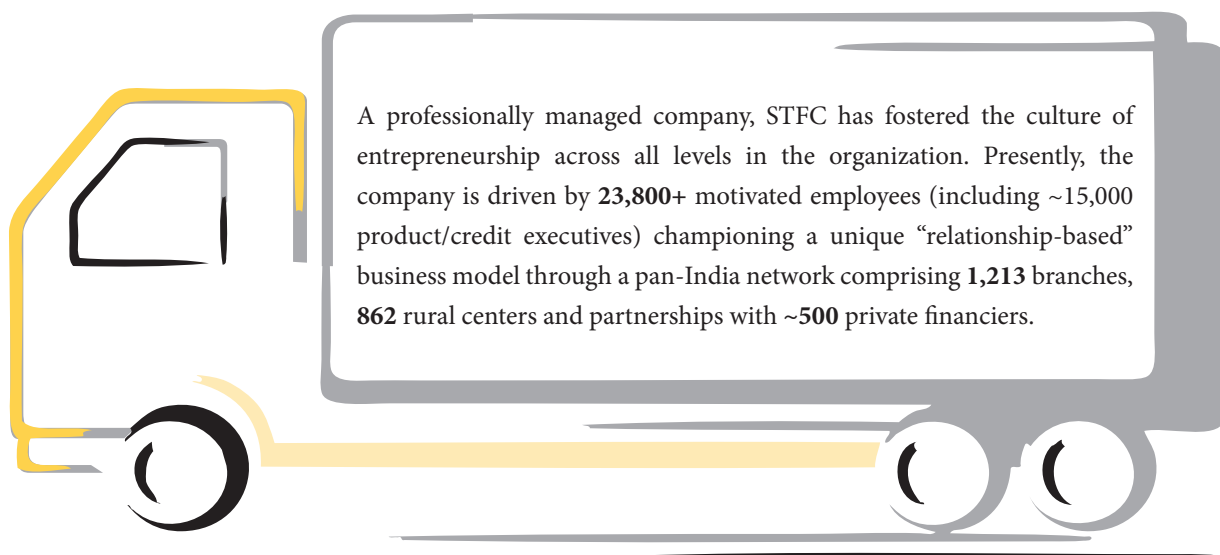
Shriram Transport Finance Company Limited (STFC) is the flagship company of Shriram Group – a diversified group with interests in financial services viz. Commercial vehicle finance, Consumer Finance, life and general insurance, stock broking, chit funds and distribution of financial products such as life and general insurance products and units of mutual funds.



Established in 1979, STFC is one of the largest asset financing Non-Banking Finance Company.



Headquartered in Mumbai, STFC has played a credible role in financial inclusion of millions of First Time Buyers (FTBs) and driver-turned-owner (DTO) by offering affordable finance on pre-owned commercial vehicles (CVs).

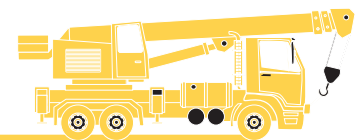


STANDALONE BASIS

Assets under management **Rs. 95,306** crore



Securitisation done for the year 2017-18 **Rs. 12,467** crore



Total income for the year 2017-18 **Rs. 12,417** crore



The profit after tax stands at **Rs. 1,568** crore



Net interest income for the year 2017-18 **Rs. 6,735** crore



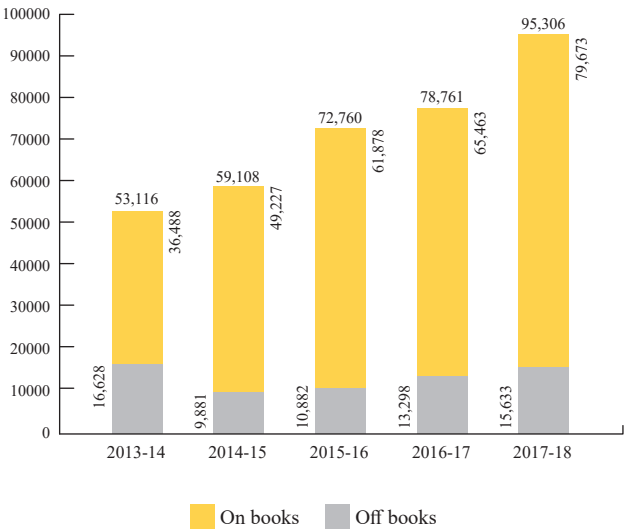
The earning per share stands at **Rs. 69.11**



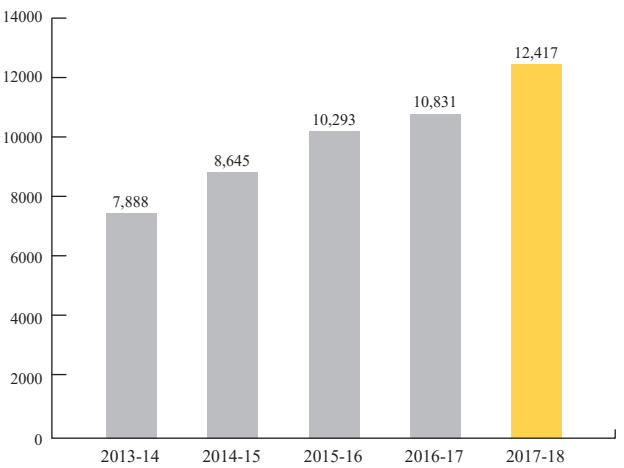
# ANNUAL

PERFORMANCE TRENDS STANDALONE BASIS

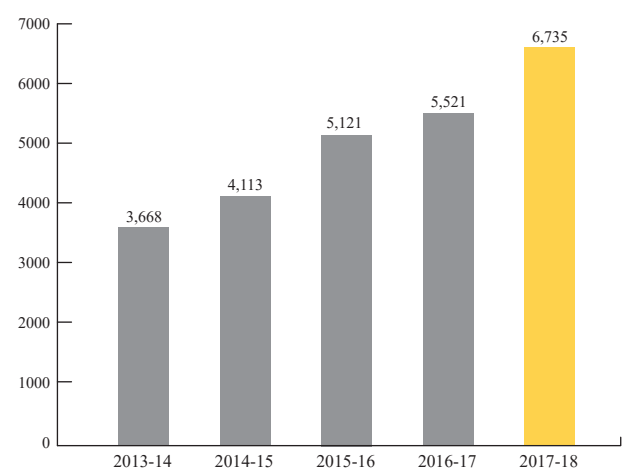
ASSETS UNDER MANAGEMENT (Rs. crore)



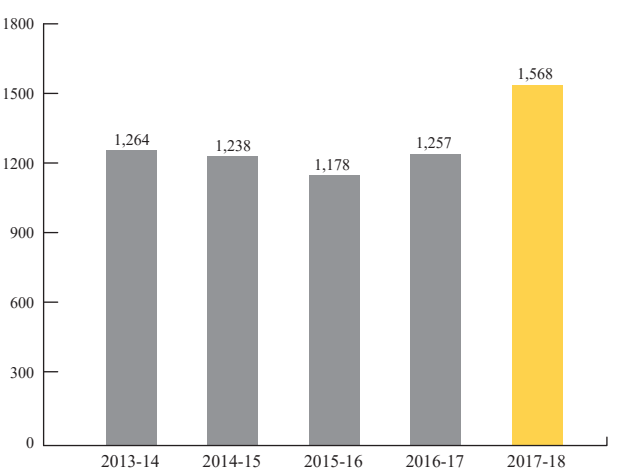
TOTAL INCOME (Rs. crore)



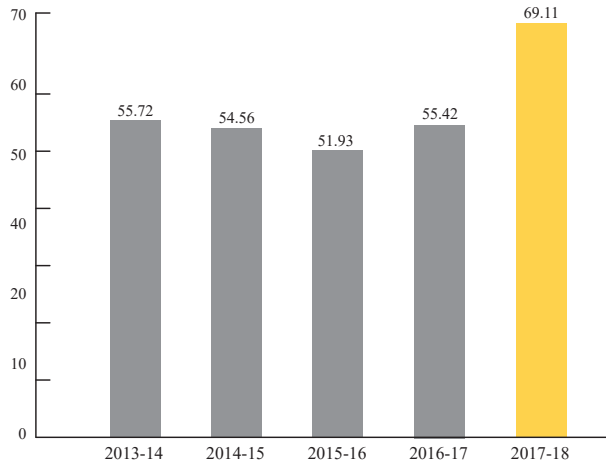
NET INTEREST INCOME (Rs. crore)



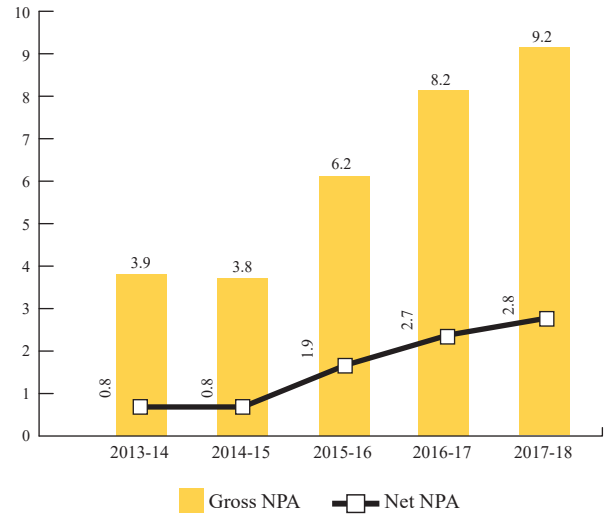
NET PROFIT (Rs. crore)



**EPS (BASIC) (Rs.)**



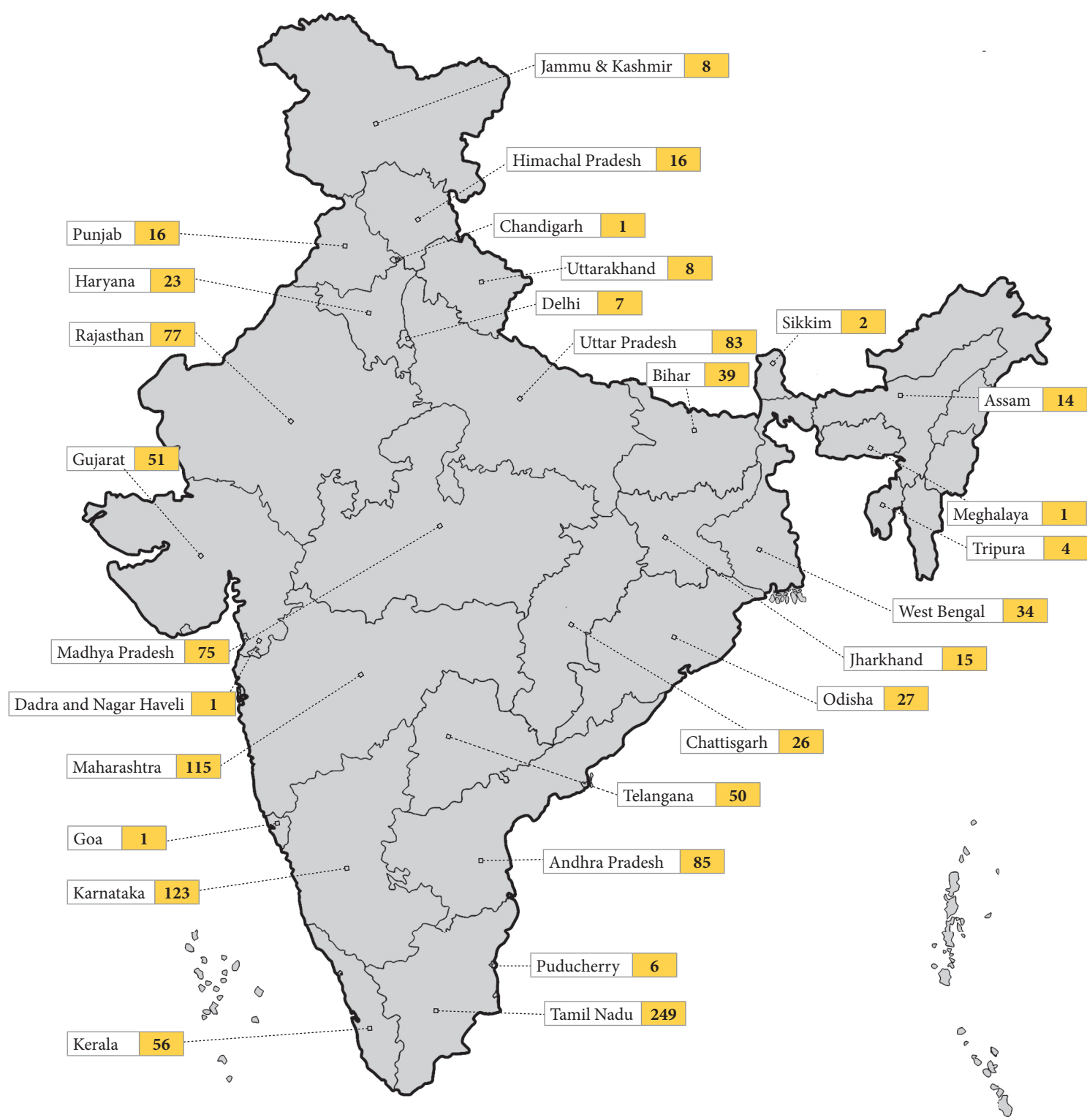
**NPA (%)**





OUR **REACH**

BRANCH NETWORK AS ON MARCH 31, 2018 :1,213 BRANCHES



List of branches with addresses is available on the Company’s website at the web link:  
<http://www.stfc.in/branch-locator.aspx>

# Management Discussion and Analysis



## GLOBAL ECONOMIC OVERVIEW

The expansion in global trade, revival of investment activities in advanced economies, gradual improvement in global demand led strengthening of global economic activity. US economy grew at 2.3 per cent as compared to growth rate of 1.5 per cent in preceding year. Economic activity in euro area continued to expand making 2017 as one of the best years in over a decade. Japan recorded consistent growth up to Q4:2017 but experienced slowdown in momentum from 2018. China's economy grew by 6.9 per cent. The Russian economy has continued to recover, benefiting from monetary policy easing, higher oil prices and strong household consumption.

The crude oil production cuts by Organization of the Petroleum Exporting Countries coupled with geo-political concerns and strong demand caused firming up of crude oil price from US\$ 56 a barrel in October 2017 to US \$ 67 in January, 2018. The crude oil prices surged continuously and reached US\$ 74.46 a barrel on April 26, 2018.

The US Fed raised its policy rate by 25 bps each in December 2017 and March 2018 meetings. The financial markets remained relatively stable during most part of 2017 and January 2018 but turned volatile in February 2018 and went into correction on fears of faster rate hikes by the US Fed. Early

March also witnessed return of volatility on announcement of protectionist measures by the US intensification of trade protectionism between China and the US.

The growing financial market integration in recent years has led to spill overs of volatility from advanced economies to emerging market economies due to monetary policy actions and financial events, as witnessed recently.

Global economic activity has been witnessing a broad based cyclical upturn. The acceleration in global trade outpacing global growth is a welcome development. Inflation remained below policy target levels in many key economies despite rise in some commodity prices and improving demand outlook. However, renewed fears of protectionism, retaliatory actions and trade wars pose a major challenge to the global economy.

## INDIAN ECONOMIC OVERVIEW

After languishing for five consecutive quarters, economic activity in India is quickening. Growth is strengthening as indicated by strong sales growth by corporations, depleting finished goods inventories and restart of investment in fixed assets by corporations and expected record food grain output.

Reserve Bank India in its third bi-monthly Monetary Policy statement released on August 2, 2017 had reduced the policy repo rate under liquidity adjustment facility (LAF) by 25