

Ref: STEC NSE/BSE 293/2021

April 30, 2021

The Secretary,
BSE Ltd
P J Towers,
Dalal St,
Mumbai 400 001

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra- Kurla Complex Bandra (E)
Mumbai 400 051

Sir,

Ref: ISIN – INE722A01011

Scrip Code: BSE – 532498 and NSE - SHRIRAMCIT

Please find attached the presentation on financial results to be made by the Company to analysts / institutional investors. This is an intimation under Regulation 30 read with Schedule III (Part A) (15) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,
For Shriram City Union Finance Limited


C R Dash
Company Secretary



Encl: a/a

Shriram City Union Finance Limited

Business Solution Centre, 144, Santhome High Road, Mylapore, Chennai – 600 004. Ph: +91 44 4392 5300, Fax: +91 44 4392 5430

Regd. Office: 123, Angappa Naicken Street, Chennai - 600 001. Ph : +91 44 2534 1431

E-mail : shriramcity@shriramcity.in Website : www.shriramcity.in

Corporate Identification Number (CIN) L65191TN1986PLC012840



Investor Presentation

Q4FY21 and FY21 (March 2021) Results

Q4FY21 and FY21 Highlights

- ❖ Disbursements were higher 21.3% YoY and 6% sequentially. SME loans grew 74.2% sequentially. Two Wheeler disbursements were higher 30.2% YoY. Re-energized by adequate funding lines, Personal Loans and Auto Loans showed an appreciable uptick. Our Personal Loan disbursements were the highest ever. We introduced a new product in the quarter – Loan against Property
- ❖ FY21 disbursements include Rs. 153 Crores of Advances restructured under RBI's COVID-19 Resolution
- ❖ As regards “interest on interest”, COVID-19 Ex-gratia subsidy relief amounting to Rs. 104 crores had been credited to the Loan account of all eligible borrowers during Q3FY21 and this amount has been fully reimbursed by Govt. of India in Q4. SCUF further extended this relief to other borrowers based on Hon'ble Supreme Court's Order; leading to a financial impact of Rs. 11 crores during Q4FY21.
- ❖ Consolidated AUM grew 6.3% YoY. Standalone AUM was higher by 1.7% YoY and 3.6% sequentially (1025 cr QoQ). The Q4 performance was notable because of secular growth sequentially and much of the festival season business having already been absorbed in Q3. Our AUM of Rs. 29571 Crore is the highest in seven quarters..
- ❖ Operating Expenses, although lower YoY , increased 5.8% sequentially because of an uptick in business metrics. As a result, Cost-to-Income trended slightly above 40% but continues to be in the Company's comfort range.
- ❖ Stage 3 delinquencies improved to 6.37%, lower by 153 bps YoY and 9 bps QoQ. Substantially lower impairments (down Rs. 147 Cr) led to Credit Costs of 2.25% for the quarter. Our Stage 3 coverage increased to 53.24%.
- ❖ Considering the resurgence in the pandemic across the country, Covid-related provisioning was increased and stood at Rs. 709 Crore for the period Q4FY20 to Q4FY21 .
- ❖ Profit after tax was up 84.3% YoY and was in line with Q3 levels..
- ❖ Yield on assets continued to be over 20% for the quarter. Our Finance cost was higher sequentially on account of having carried a larger liquidity reservoir, given the continuing pandemic situation. NIM consequently was slightly lower QoQ. Incremental borrowing in the quarter was of Rs. 5119 Crore, our highest-ever quarterly mobilization (weighted average tenor: 38 months).

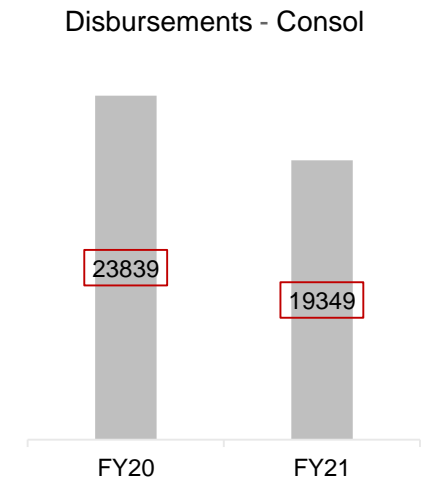
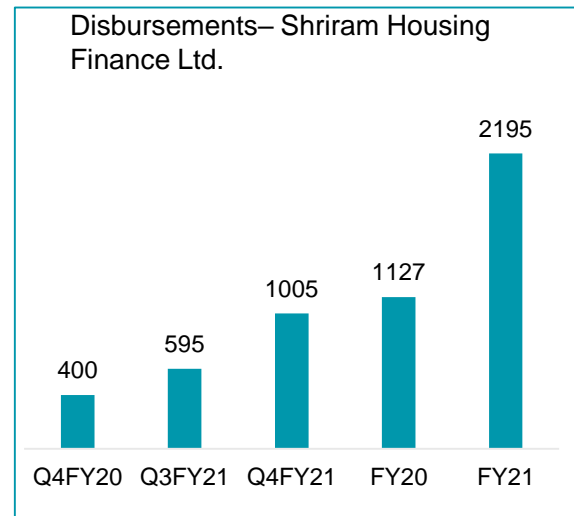
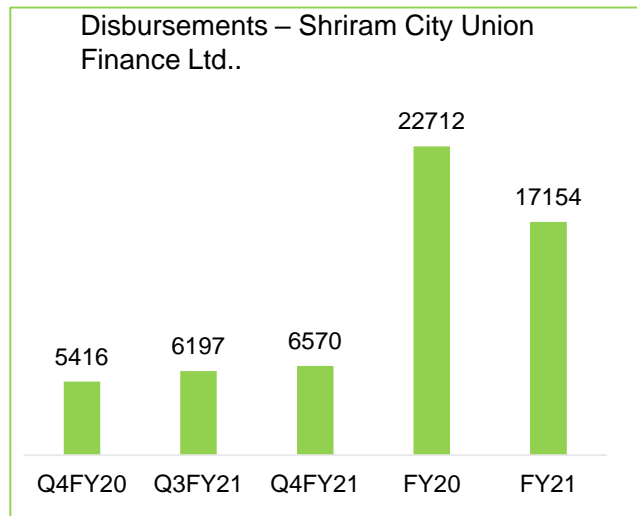
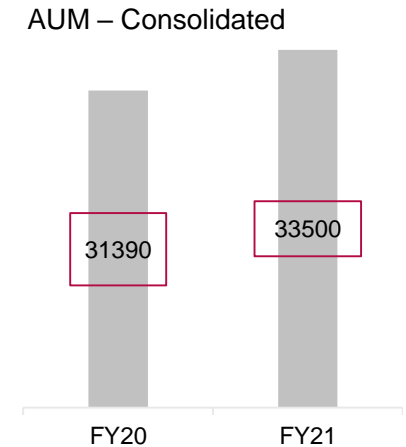
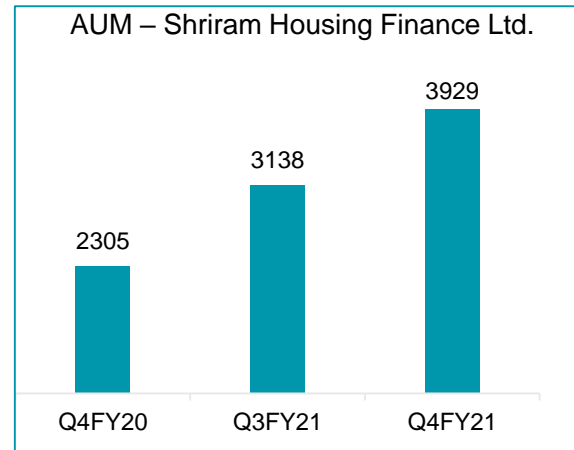
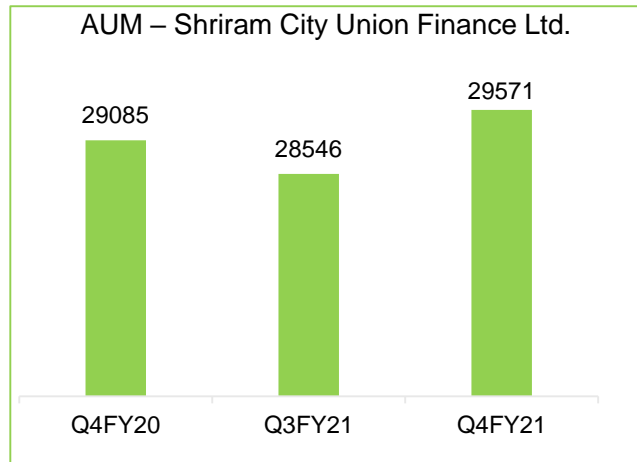
Q4FY21 and FY21 Highlights (contd.)

- ❖ Cost of Funds moderated to 9.09%. Overall borrowing costs for FY21 were 8.76%, compared to 9.36% in FY20.
- ❖ After having forayed into Market Linked Debentures in the previous quarter, we raised Rs. 1188 Cr. against MLDs in Q4. Retail Fixed Deposits, at Rs. 5529 Crore have exhibited a 37.81% growth YoY.
- ❖ We carried a liquidity backup of free unencumbered assets worth Rs. 4029 Cr, Rs. 949 Cr of SLR investments and undrawn bank lines of Rs. 700 Cr.
- ❖ We had 24963 employees working in 926 branches across the country, servicing 41.52 Lakh loan customers..
- ❖ During FY21, India Ratings reaffirmed our credit rating, besides taking us off “Rating Watch Negative”. CRISIL too reaffirmed our credit rating and upgraded our Rating Outlook to “Stable”. Our credit ratings across agencies are as under:



AUM and Disbursements – Standalone and Consolidated

INR Crores



Performance Highlights for Q4 FY21 and FY21 Disbursements

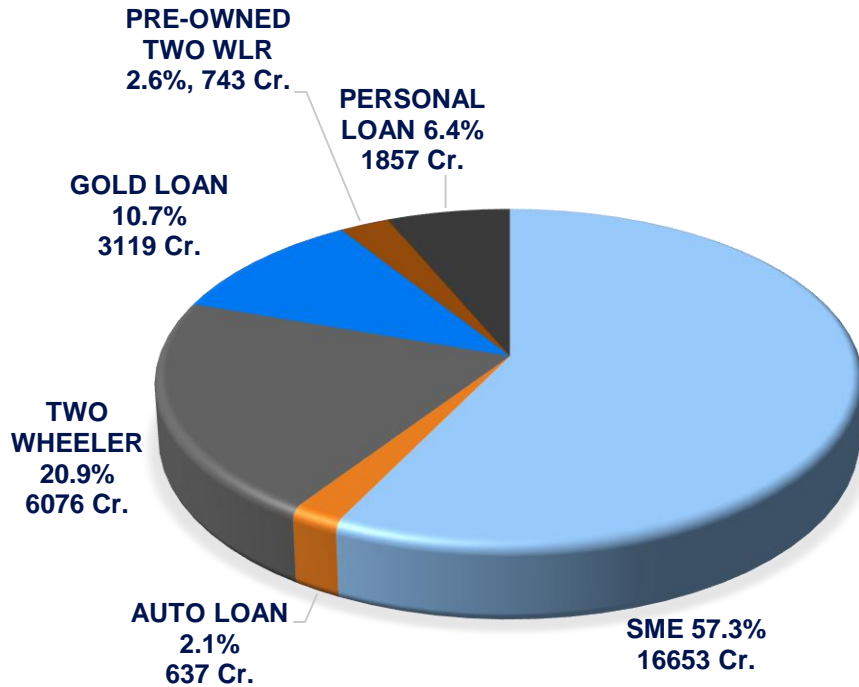
Product (INR in Crores)	Q4FY20	Q3FY21	Q4FY21	FY20	FY21
Small Enterprise Finance	1880	1042	1815	7258	3241
Two Wheelers	1182	2060	1540	5604	5134
Personal Loans	43	622	812	1704	1493
Pre-owned Two Wheelers	427	449	275	823	913
Auto Loans	60	95	152	215	257
Gold Loans	1824	1930	1786	7107	5926
LAP	0	0	189	0	189
Total	5416	6197	6570	22712	17154*

*FY21 disbursements include Rs. 153 Crore of loans restructured under RBI COVID-19 Resolution Framework.

Performance Highlights

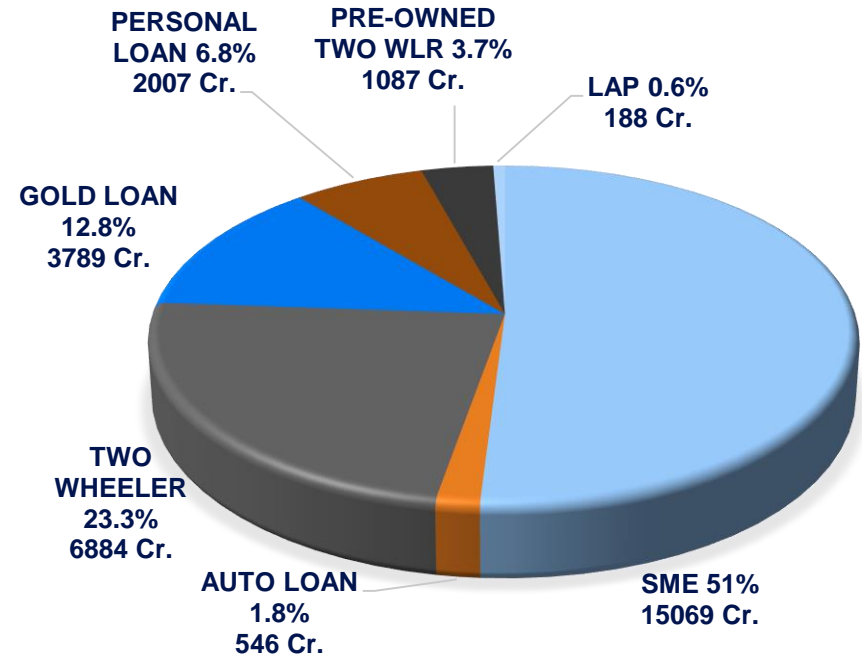
Assets Under Management

Q4FY20



Total – Rs. 29085 Cr.

Q4FY21



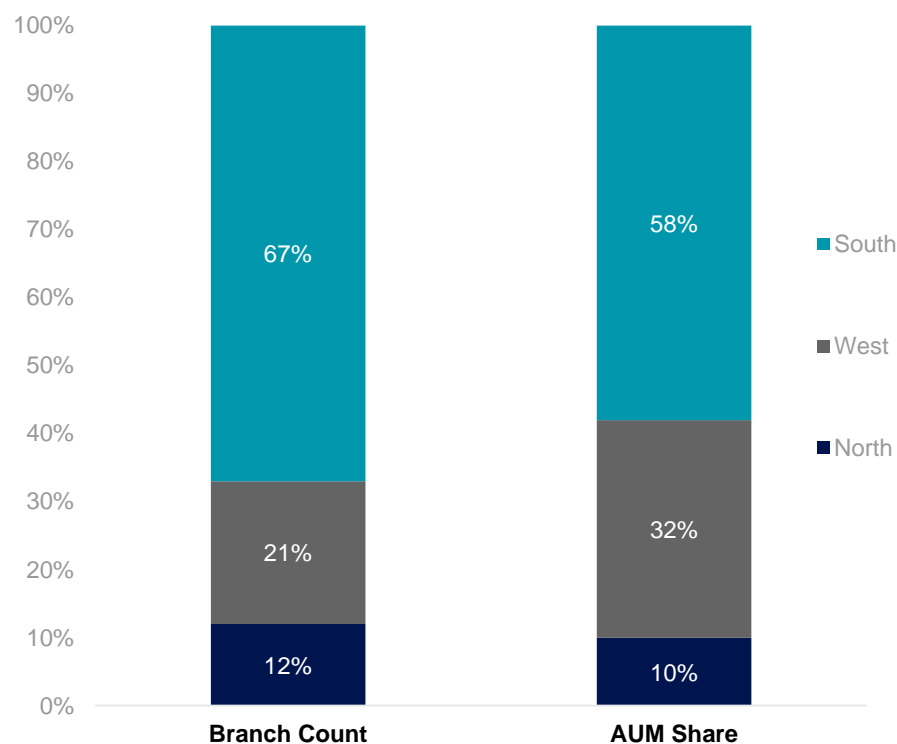
Total – Rs. 29571 Cr.

Performance Highlights

Region-wise Breakup of Business

926 branches as on 31-Mar-2021

Region Wise Business Details



- South India continues to have a higher share in network and AUM contribution, especially in SME loans and Gold loans.
- AUM growth was maintained even after festival season-related business in Q3FY21.
- We introduced Loans Against Property in Q4.

Performance Highlights

Income Statement – Quarter ended March 2021

Particulars (INR in Crores)	Q4FY20	Q3FY21	Q4FY21	Growth	
				YoY	QoQ
Assets Under Management	29085	28546	29571	1.7%	3.6%
Disbursements	5416	6197	6570	21.3%	6.0%
Interest Income	1450	1439	1486	2.4%	3.2%
Interest Expenses	550	522	556	1.1%	6.6%
Net Interest Income	900	918	930	3.3%	1.3%
Operating Expenses	386	357	378	(2.0%)	5.8%
Operating Profit	514	560	552	7.2%	(1.5%)
Impairment on Financial Instruments & Write-offs	311	175	164	(47.4%)	(6.7%)
Profit Before Tax	203	385	388	91.1%	0.8%
Tax Expenses	50	105	106	112.1%	0.6%
Profit After Tax	153	280	282	84.3%	(0.9%)

Performance Highlights

Income Statement – Year ended March 2021

Particulars (INR in Crores)	FY20	FY21	Growth
Assets Under Management	29085	29571	1.7%
Disbursements	22712	17154	(24.5%)
Interest Income	5887	5738	(2.5%)
Interest Expenses	2140	2134	(0.3%)
Net Interest Income	3747	3605	(3.8%)
Operating Expenses	1508	1364	(9.5%)
Operating Profit	2239	2240	0.1%
Impairment on Financial Instruments & Write-offs	884	851	(3.7%)
Profit Before Tax	1355	1389	2.5%
Tax Expenses	354	378	6.8%
Profit After Tax	1001	1011	1.0%

Performance Highlights

Analysis on Average AUM & Key Ratios – For the Quarter

Analysis on Average AUM	Q4FY20	Q3FY21	Q4FY21
Yield on Assets	19.79%	20.53%	20.45%
Interest Expenses	7.50%	7.44%	7.65%
Net Interest Margin	12.28%	13.09%	12.80%
Operating Expenses	5.26%	5.10%	5.21%
Operating Profit	7.02%	7.99%	7.59%
Credit Cost	4.25%	2.50%	2.25%
Net Spread (Pre Tax)	2.77%	5.49%	5.34%
RoA	2.01%	3.62%	3.42%
RoE	8.58%	14.39%	14.10%
Leverage (times)	3.21	2.96	3.15
Cost to Income Ratio	42.86%	38.95%	40.67%
Earnings per Share (INR)	23.19	42.38	42.73
Book Value per Share (INR)	1092	1194	1230
Net Worth (INR Cr.)	7208	7883	8119
CRAR Total	27.69%	29.57%	28.64%
CRAR (Tier I)	27.69%	29.57%	28.64%

Performance Highlights

Analysis on Average AUM & Key Ratios – Annual

Analysis on Average AUM	FY20	FY21
Yield on Assets	20.07%	19.57%
Interest Expenses	7.30%	7.28%
Net Interest Margin	12.77%	12.29%
Operating Expenses	5.14%	4.65%
Operating Profit	7.63%	7.64%
Credit Cost	3.01%	2.90%
Net Spread (Pre Tax)	4.62%	4.74%
RoA	3.31%	3.10%
RoE	14.71%	13.19%
Leverage (times)	3.21	3.15
Cost to Income Ratio	40.25%	37.85%
Earnings per Share (INR)	151.60	153.16
Book Value per Share (INR)	1092	1230
Net Worth (INR Cr.)	7208	8119
CRAR Total	27.69%	28.64%
CRAR (Tier I)	27.69%	28.64%

Stage Analysis

Provisions Analysis as per Ind AS (INR in Crores)	Q4FY20	Q3FY21	Q4FY21
Stage 3 - Gross	2263	1833	1876
Stage 3 - ECL Provisions	1097	966	999
Stage 3 - Net	1166	867	877
Stage 3 - Coverage Ratio (%)	48.47%	52.71%	53.24%
Stage 1 & 2 - Gross	26394	26554	27589
Stage 1 & 2 - ECL Provisions	947	1121	1046
Stage 1 & 2 - Net	25446	25433	26543
Stage 1 & 2 - ECL Provisions %	3.59%	4.22%	3.79%
Stage 3 % - Gross	7.90%	6.46%	6.37%
Stage 3 % - Net	4.23%	3.16%	3.08%

Analysis of Stage 3

Product	Stage 3 Gross %			Stage 3 Net %			Stage 3 ECL %		
	Q4FY20	Q3FY21	Q4FY21	Q4FY20	Q3FY21	Q4FY21	Q4FY20	Q3FY21	Q4FY21
Small Enterprise Finance	8.33%	7.37%	7.26%	4.23%	3.09%	3.00%	51.35%	59.95%	60.50%
Two Wheelers	8.12%	5.84%	5.80%	3.91%	3.08%	3.00%	53.97%	48.80%	49.74%
Personal Loans	11.13%	10.69%	10.51%	6.73%	6.53%	5.76%	42.33%	41.62%	47.96%
Pre-owned Two Wheelers	0.09%	1.07%	2.21%	0.03%	0.49%	1.10%	59.81%	54.90%	50.83%
Auto Loans	11.64%	8.61%	8.56%	5.31%	4.15%	4.37%	57.39%	54.08%	51.16%
Loan Against Gold	4.37%	2.98%	2.86%	4.17%	2.85%	2.73%	4.78%	4.67%	4.86%
LAP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	7.90%	6.46%	6.37%	4.23%	3.16%	3.08%	48.47%	52.71%	53.24%

Diversified Borrowing Profile & adequate Liquidity Backup

Source	Q4FY20	Q3FY21	Q4FY21
Total Borrowings (INR Cr.)	23166	23372	25565
Bank borrowings	46%	49%	48%
Retail Fixed Deposits	18%	22%	22%
Public Issue of NCDs	4%	4%	3%
Market borrowings	16%	9%	13%
Securitization	16%	16%	13%
Average Cost of Borrowing (%)	9.70%	9.24%	9.09%







- **Fresh mobilization** in Q4FY21: INR 5119 Crore as under (average door-to-door maturity: 38 months):
Term Loans from Banks & Institutions: INR 2714 Cr., Retail Fixed Deposits: INR 650 Cr., NCDs issued (including MLDs): INR 1353 Cr. and Securitisation: INR 402 Cr.
- As on 31st March 2021, **liquidity backup** was available in the form of free unencumbered assets of INR 4029 Cr., SLR investments of INR 949 Cr. and undrawn Bank lines of INR 700 Cr..

ALM statement as on 31-March-2021

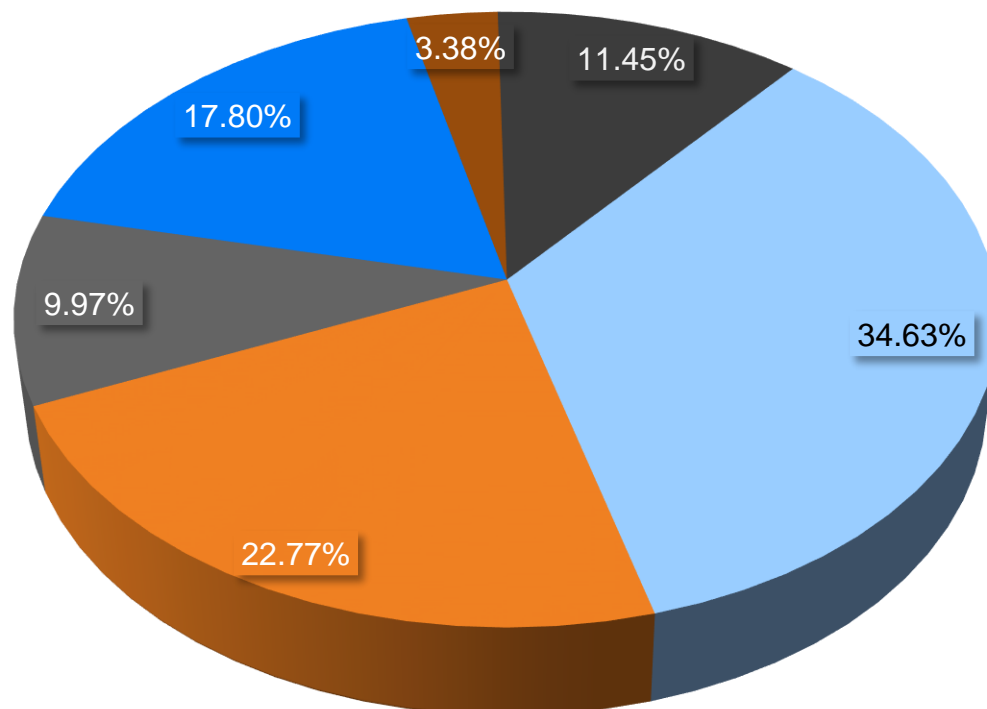
INR Crores

Particulars	0 day to 7 days	8 days to 14 days	15 days – 30/31 days	Over 1 month - upto 2 months	Over 2 months - upto 3 months	Over 3 months - upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	TOTAL
Cash & Bank balances	1838	646	1176	155	228	423	578	81	0	89	5214
Scheduled Inflows from performing loans	1133	446	336	1285	1371	4045	7330	9422	1400	822	27589
Scheduled Outflows	12	446	1051	1096	1228	2609	6720	9912	2316	175	25565
Mismatch	2959	646	461	344	371	1858	1188	(410)	(915)	735	7238
Cumulative Mismatch	2959	3605	4067	4411	4781	6640	7828	7418	6503	7238	

Product Summary

51% of AUM	New: 23.3% P/O: 3.7% of AUM	12.8% of AUM	6.8% AUM of	1.8% of AUM	0.6% of AUM
					
MSME Financing	Two-Wheeler Financing – New and Preowned	Gold Loans	Personal Loans	Auto Loans	LAP
Launch Year: 2006 <ul style="list-style-type: none"> ✓ Loans to micro, small and medium enterprises. ✓ Strong Presence in South and Maharashtra. 	Launch Year: <ul style="list-style-type: none"> ➢ New: 2002, ➢ Preowned: 2019 <ul style="list-style-type: none"> ✓ Among the largest 2W financiers on volume basis ✓ Focus on non salaried class ✓ Tech- based lending 	Launch Year: 2007 <ul style="list-style-type: none"> ✓ Focused on 5 leading gold demand states. ✓ Offered through existing regional network. 	Launch Year: 2002 <ul style="list-style-type: none"> ✓ Cross sell product ✓ Entirely based on data mining & analytics ✓ Cash Flow based Lending 	Launch Year: 2006 <ul style="list-style-type: none"> ✓ Primarily involves Preowned cars, PVs & 3Ws and 2Ws ✓ Relationship based lending, offered to existing/past customers. 	Launch Year: 2021 <ul style="list-style-type: none"> ✓ Loans backed by property as collateral ✓ Product introduced based on demand from prospective customers.

Shareholders' Profile



- SHRIRAM CAPITAL LTD. AND SHRIRAM VENTURES (CHENNAI) PVT. LTD.
- DYNASTY ACQUISITION FPI LTD. AND ARKAIG ACQUISITION (FPI) LTD. ("APAX")
- PIRAMAL ENTERPRISES LTD.
- OTHER FIIs/FPIs WITH 1% AND ABOVE SHAREHOLDING
- MUTUAL FUNDS WITH 1% AND ABOVE SHAREHOLDING
- OTHERS

SUBSIDIARY DETAILS

SHRIRAM HOUSING FINANCE LIMITED

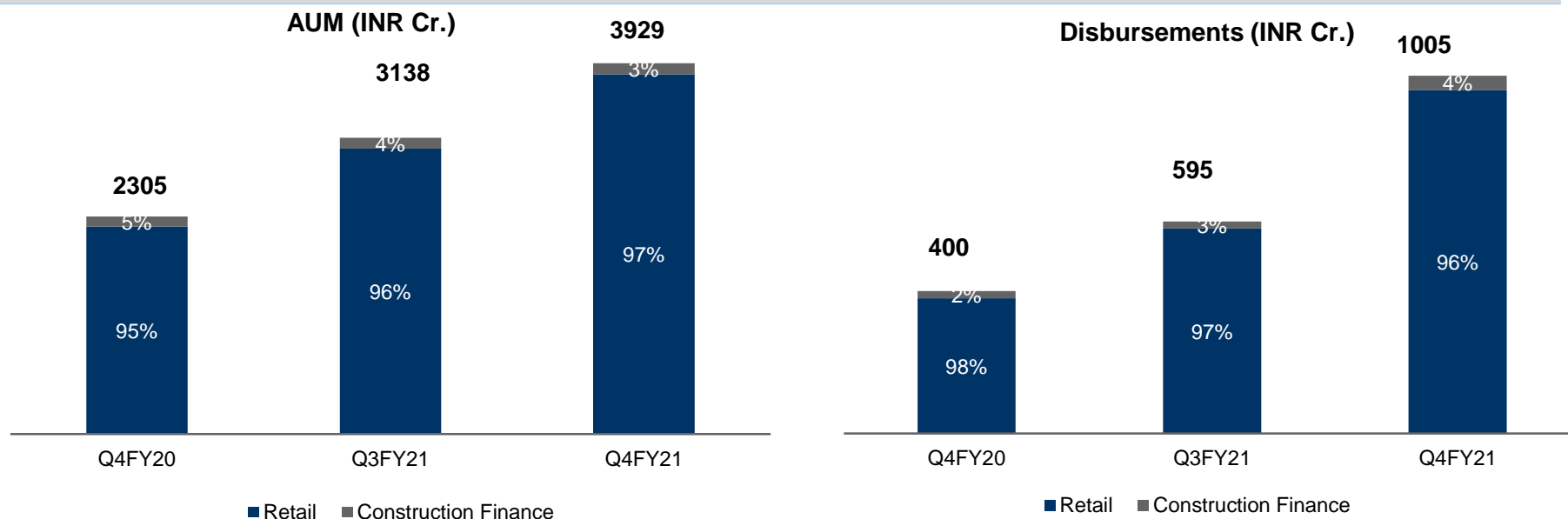
Shriram Housing Finance Ltd.



Housing:
11.7% of
Consol
AUM

- ✓ Registered as non-deposit accepting HFC with the National Housing Bank
- ✓ Predominantly catering to self-employed borrowers/ informal salaried customers in Tier-II / Tier-III towns
- ✓ Focus on middle-income segment; average ticket size of INR 20.2 lakhs
- ✓ Operates out of 82 branches across 15 states in India with 824 employees, catering to 17782 customers
- ✓ Rated 'AA' by Care Ratings and 'Ind AA' by India Ratings

Loan AUM & Disbursement Split



Shriram Housing Finance Ltd. – Q4 and FY21 highlights

- ✓ Highest-ever quarterly and yearly disbursements of INR 1005 Crore and INR 2195 respectively..
- ✓ Robust growth in AUM: YoY: 70%, QoQ: 25%.
- ✓ At 1.87%, lowest Stage 3 delinquencies since FY2014. PCR is 75%. Only four customers (out of 10865 customers sourced since January 2019) are in Stage 3.
- ✓ At 8.95%, Average Cost of Funds declined 55 bps YoY and 16 bps QoQ
- ✓ Incremental borrowings of INR 770 Crore in Q4 at a cost of 8.4%. Total outstanding borrowings of INR 3691 Cr. for FY21, of which 69% comprised loans from Banks and NHB, the balance being in the form of NCDs, Direct Assignments and PTCs..
- ✓ As on 31st March 2021, SHFL possessed backup liquidity of INR 645 Cr..
- ✓ Branch network augmented by 17 branches during FY21.
- ✓ Restructured loans during FY21 amounted to INR 58.2 Crore (1.48% of AUM)
- ✓ In Q4, incorporated innovations such as Video underwriting as part of the credit underwriting process in order to keep employees as well as customers safe from Covid-19.

Shriram Housing Finance Ltd.

Income Statement – Quarter ended March 2021

Particulars (INR in Crores)	Q4FY20	Q3FY21	Q4FY21	Growth	
				YoY	QoQ
Assets Under Management	2305*	3138*	3929*	70.5%	25.2%
Disbursements	400	595	1005	151.2%	68.9%
Interest Income	62.46	75.35	85.01	36.1%	12.8%
Other Income	49.95	54.80	28.33	(43.3%)	(48.3%)
Income from Operations	112.41	130.16	113.34	0.8%	(12.9%)
Interest Expenses	44.28	53.37	60.63	36.9%	13.6%
Net Interest Income	68.13	76.78	52.71	(22.6%)	(31.3%)
Operating Expenses	34.39	29.85	36.13	5.1%	21.0%
Provisions & Write-offs	16.77^	13.45	2.36	(85.9%)	(82.4%)
Profit Before Tax	16.98	33.49	14.22	(16.2%)	(57.5%)
Profit After Tax	11.67	24.30	14.19	21.6%	(41.6%)

* Includes assigned pool

^ Q4FY20 includes Special COVID Provision of INR 10 Cr

Shriram Housing Finance Ltd.

Income Statement – Year ended March 2021

Particulars (INR in Crores)	FY20	FY21	Growth
Assets Under Management	2305*	3929*	70.5%
Disbursements	1127	2195	94.8%
Interest Income	259.64	300.61	15.8%
Other Income	106.36	127.72	20.1%
Income from Operations	366.00	428.33	17.0%
Interest Expenses	162.97	208.00	27.6%
Net Interest Income	203.03	220.33	8.5%
Operating Expenses	112.12	115.96	3.4%
Provisions & Write-offs	25.59^	20.13	(21.3%)
Profit Before Tax	65.31	84.24	29.0%
Profit After Tax	46.52	62.38	34.1%

* Includes assigned pool

^ FY20 includes Special COVID provision of INR 10 Cr.

Shriram Housing Finance Ltd.

Key Ratios – For the Quarter

Analysis on Average AUM	Q4FY20	Q3FY21	Q4FY21
Yield on Assets	22.49%	20.35%	15.15%
Finance Expenses	8.86%	8.35%	8.11%
Net Interest Margin	13.63%	12.01%	7.05%
Cost-to-Income	50.47%	38.87%	68.54%
Stage 3 (Gross)	2.41%	2.40%	1.87%
Stage 3 (Net)	1.89%	1.91%	1.46%
RoA	2.33%	3.80%	1.90%
RoE	9.23%	17.54%	10.11%
Leverage (times)	3.76	4.67	5.52
Capital Adequacy Ratio	27.76%	21.56%	23.03%
Net Worth (INR Cr.)	513.01	561.98	576.47

Shriram Housing Finance Ltd.

Key Ratios: Annual

Analysis on Average AUM	FY20	FY21
Yield on Assets	18.64%	16.97%
Finance Expenses	8.30%	8.24%
Net Interest Margin	10.34%	8.73%
Cost-to-Income	55.23%	52.63%
Stage 3 (Gross)	2.41%	1.87%
Stage 3 (Net)	1.89%	1.46%
RoA	2.37%	2.47%
RoE	9.56%	11.56%
Leverage (times)	3.76	5.52
Capital Adequacy Ratio	27.76%	23.03%
Net Worth (INR Cr.)	513.01	576.47

Disclaimer

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