

STEC NSE/BSE 536/2022

April 29, 2022

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.

Dear Sir,

Ref: ISIN – INE722A01011

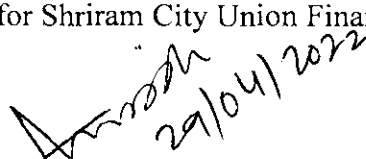
Scrip Code: BSE – 532498 and NSE - SHRIRAMCIT

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.

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
AS

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 Update - Q4 & FY 22 (March 2022)

Disbursements
Rs. 8645 Cr for Q4 and Rs. 28879 Cr for FY22

Highest-ever lending performance

Cross-sell Initiatives

Cross-selling initiatives by SHFL in Gujarat commenced

Assets Under Management

Rs. 38541 Cr

YOY growth of 15%

Collection Efficiency

In excess of 100%

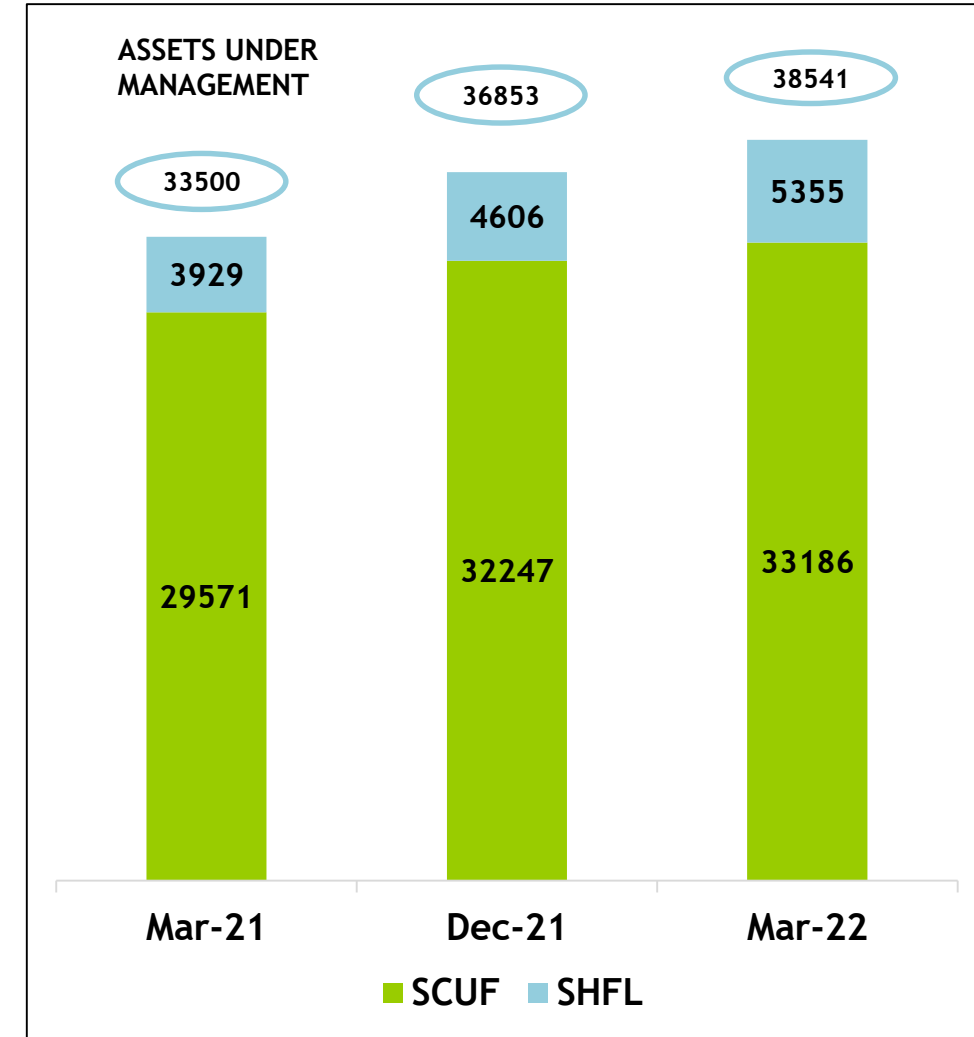
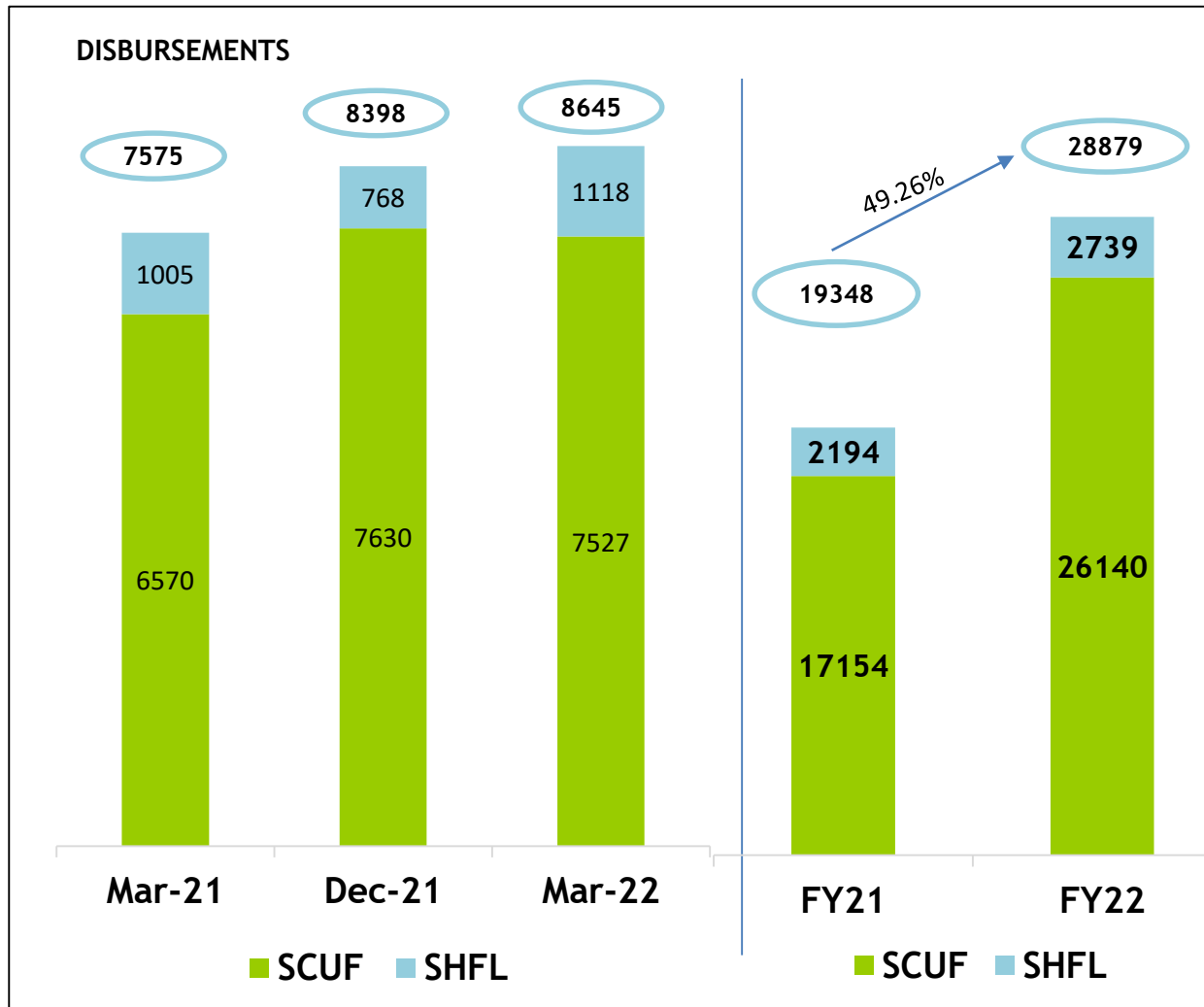
Progressively Improved Collection Efficiency through the year

Expansion of Digital Initiatives

Express Two Wheeler loans (SCUF)
Contactless Personal Loans (SCUF)
Cloud migration, Cross-sell App, DigiLocker,
VoiceBOT, Scorecards (SHFL)

Disbursement & Assets Under Management - Consolidated

Rs. Crores



Key Performance Highlights - Consolidated

Rs. Crores

Assets Under Management

Income from Operations

Net Interest Income

Pre Provision Profits

Profit After Tax

Mar 22

38541

15.0 %

1900

18.9 %

1135

15.5 %

629

10.5 %

326

12.1 %

Mar 21

33500

1598

983

569

296

Mar 22

38541

4.6 %

1900

2.1 %

1135

0.4 %

629

3.2 %

326

1.2 %

Dec 21

36853

1860

1140

650

322

FY 22

38541

15.0 %

7080

14.8 %

4267

14.8 %

2469

0.3 %

1166

8.7 %

FY 21

33500

6166

3825

2462

1073

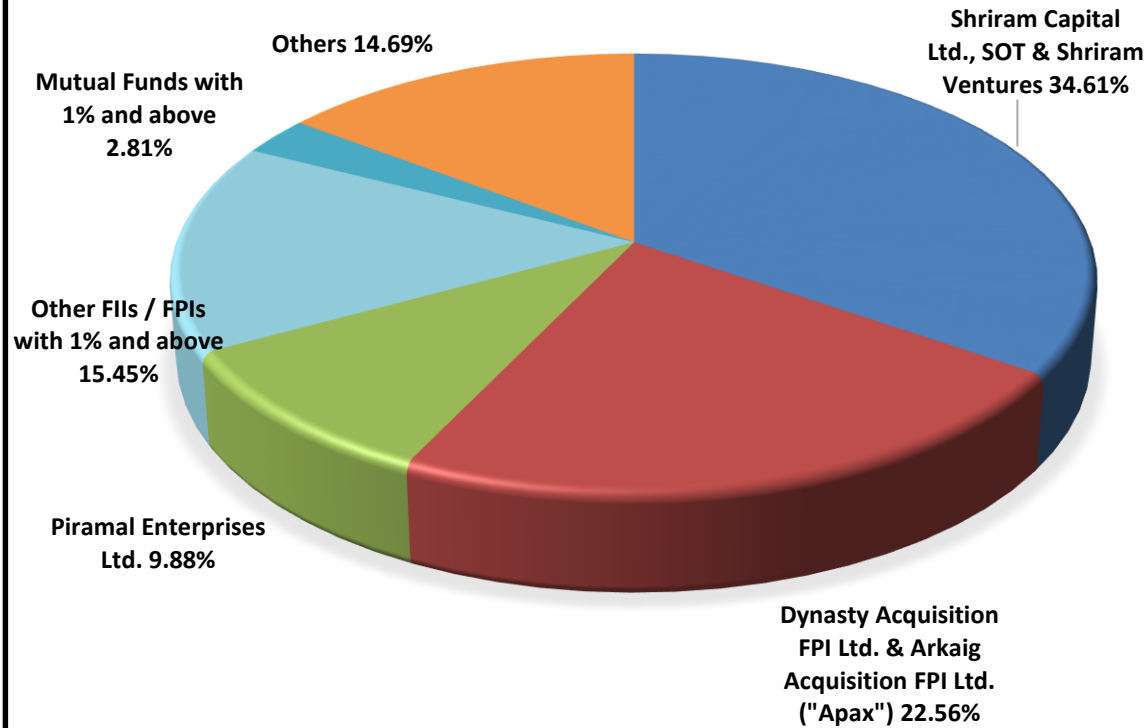
Branch Network

Shriram City Union Finance Ltd.			
STATE	BRANCHES	STATE	BRANCHES
Tamil Nadu	261	Bihar	12
Andhra Pradesh	183	West Bengal	10
Telangana	130	Uttarakhand	8
Maharashtra	94	Himachal Pradesh	6
Karnataka	57	Odisha	5
Uttar Pradesh	54	Puducherry	5
Gujarat	30	Jharkhand	3
Madhya Pradesh	26	Delhi	2
Rajasthan	25	Goa	2
Kerala	22	Chandigarh	1
Punjab	21	Jammu & Kashmir	1
Chhattisgarh	15	TOTAL BRANCHES	986
		EMPLOYEE COUNT	27997
Haryana	13		

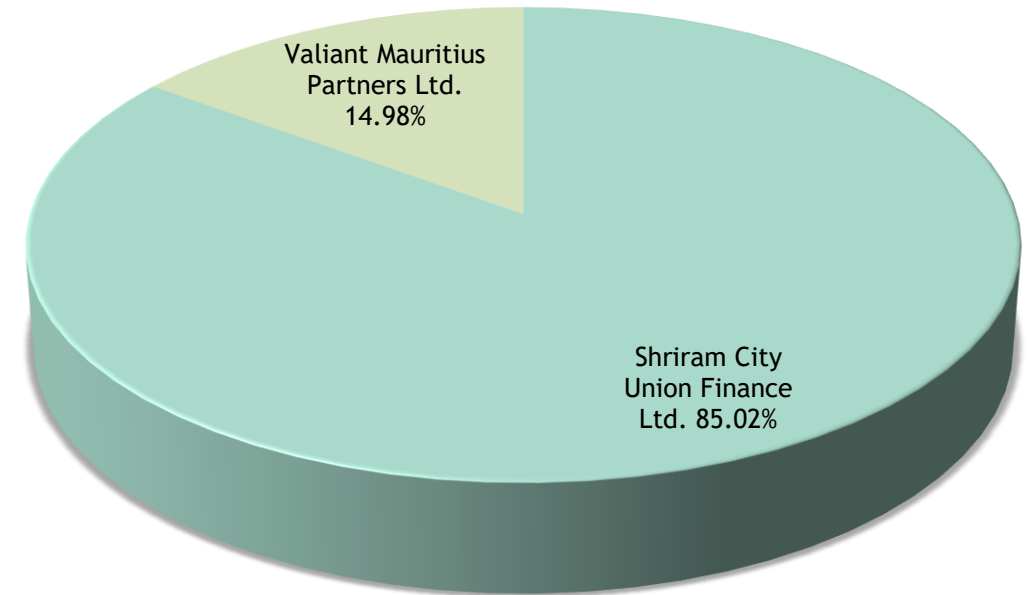
Shriram Housing Finance Ltd.	
STATE	BRANCHES
Tamil Nadu	21
Gujarat	14
Karnataka	14
Andhra Pradesh & Telangana	13
Maharashtra	12
Rajasthan	9
Madhya Pradesh	7
Uttar Pradesh	3
Kerala	2
Punjab	2
West Bengal	2
Chhattisgarh	2
Uttarakhand	1
Delhi	1
TOTAL BRANCHES	103
EMPLOYEE COUNT	787

Shareholders Profile

SHRIRAM CITY



SHRIRAM HOUSING



Recognition and Awards



- SCUF won the award for 'NBFC Innovative Product of the Year' for its 'Express Two-Wheeler Loans' product at the BFSI Technology Excellence Awards 2022
- *Express Two-Wheeler Loans facilitate hassle-free, paperless, 24X7 applications for two-wheelers loans, wherein sanction letters are issued in less than 5 minutes for loans up to 100% of the on-road price. The loan is disbursed in under 24 hours post the approval of the application allowing Shriram Finance to offer the fastest two-wheeler loans in India.*

SHFL won the award for 'Fastest Growing NBFC of the Year' at the BFSI Technology Excellence Awards 2022. *SHFL won the award for its remarkable growth over the last fiscal year. The company has tripled its AUM from INR 1500 crore to over INR 5000 crore in the last three years.*

SHFL has been certified as a **Great Place to Work** by Great Place to Work® Institute, India from Feb 2022 to Feb 2023



Update on the proposed Merger

- Pursuant to the meeting of the Company's Board of Directors on 13th December 2021 approving the amalgamation of the Company with M/s Shriram Transport Finance Co. Ltd., we have approached the appropriate authorities for the regulatory approvals thereof.
- Accordingly, the Company has received in-principle approvals from BSE Ltd and National Stock Exchange Ltd. under Regulation 37 of SEBI LODR.
- The Company has approached National Company Law Tribunal, Chennai ("NCLT") for being permitted to convene a meeting of shareholders as well as of secured- and unsecured creditors with a view to obtain their approval for the merger. We now await the listing of our Application for Hearing at NCLT.
- The process of obtaining all other regulatory approvals as applicable is proceeding as scheduled. The merger will stand effective after obtaining NCLT approval.



Standalone Numbers

Executive Summary

- Loans disbursed: Rs. 26140 Cr in FY22 versus Rs. 17154 Cr in FY21, a growth of 52.4%. These have been our best ever disbursements in a Financial Year.
- Assets Under Management: Growth traction continued, with AUM of Rs. 33186 Cr as on 31st March'22 versus Rs. 32247 Cr as on 31st Dec'21 and Rs. 29571 Cr as on 31st March'21. AUM growth: 12% YOY and 2.9% QOQ.
- Best ever profitability metrics: PBT of Rs. 418 Cr. and PAT of Rs. 303 Cr. in Q4FY22 are our highest ever, as are PBT of Rs. 1461 Cr. and PAT of Rs. 1086 Cr. in FY22.
- Improved yields: Loan yields grew to 20.81% in FY22 versus 19.57% in FY21. Our FY22 yields are our highest in six years.
- Highest ever interest income: Rs. 6531 Cr in FY22 and Rs. 1751 Cr in Q4FY22, which is our best ever. Interest income in FY21 was Rs. 5738 Cr. Net Interest Margin for FY22 was 12.74% compared to 12.29% in FY21.
- Covid-related provisioning at the end of Q4FY22 stood at Rs. 426 Cr.

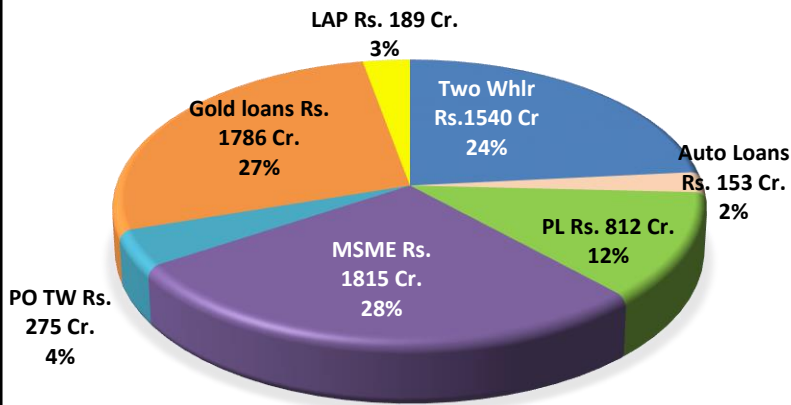
Executive Summary (contd.)

- Overall borrowings as on 31st March'22 stood at Rs. 30632 Cr. versus Rs. 29747 Cr. in Dec'21 and Rs. 25565 Cr. in March'21. Our Fixed Deposit base stood at Rs. 6828 Cr., a growth of 23.5% YOY.
- Liquidity back up in form of free cash & bank balances stood at Rs. 5235 Cr. as of March'22. Sanctioned and Undrawn limits stood at Rs. 556 Cr.
- Comfortable ALM position with nil negative mismatch on cumulative basis across future timelines. Net Worth stood at Rs. 8728 Cr.
- Improved asset quality: GNPA for Q4FY22 was 6.31% versus 7.30% in Q3FY22 (both figures are per RBI's November 2021 Circular).
- Improved credit costs: Down from 2.79% in Q3FY22 and 2.25% in Q4FY21 to 2.15% in Q4FY22. Also improved from 2.90% in FY21 to 2.83% in FY22.
- Collection Efficiency was at 103% in January and February'22, and 111% in March'22. Q4 Collection Efficiency was 106%.

Disbursements for the Quarter

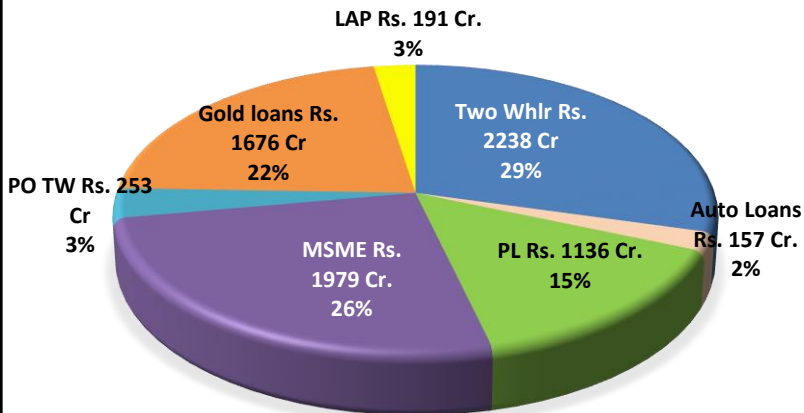
MAR 21

Rs. 6570 Cr



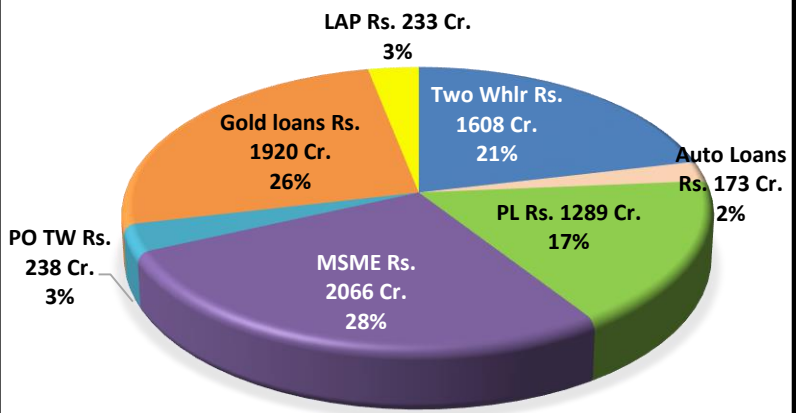
DEC 21

Rs. 7630 Cr.



MAR 22

Rs. 7527 Cr.

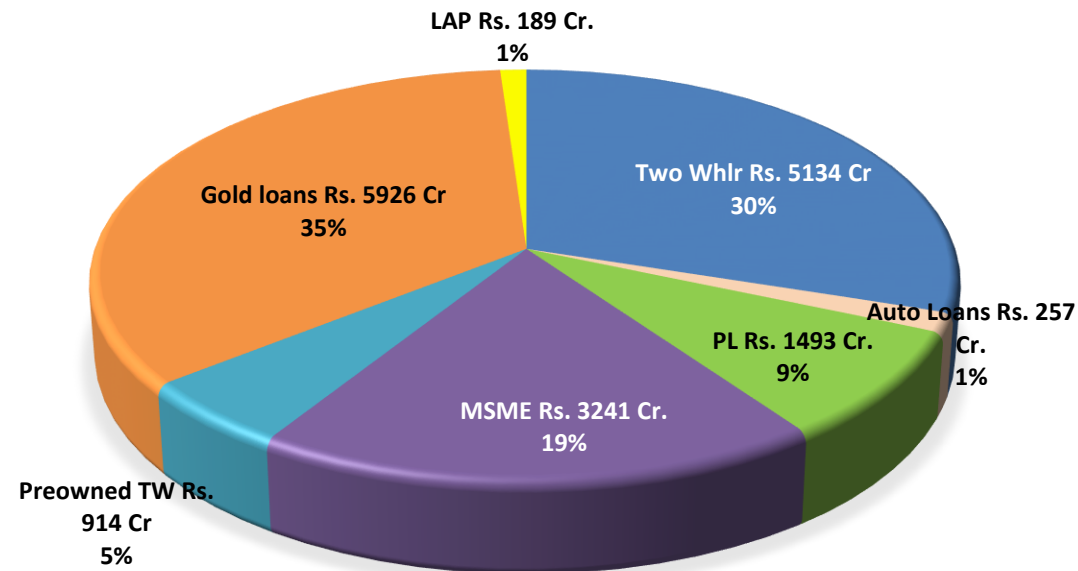


Disbursements for the Year

Y-o-Y Growth: 52.4%

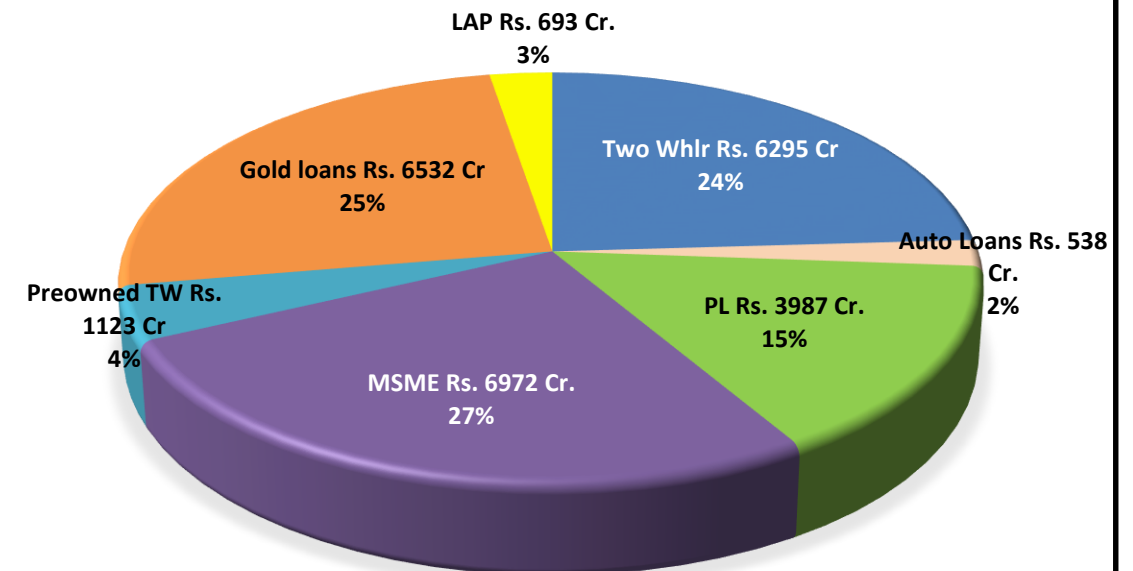
FY 2021

Rs. 17154 Cr



FY 2022

Rs. 26140 Cr

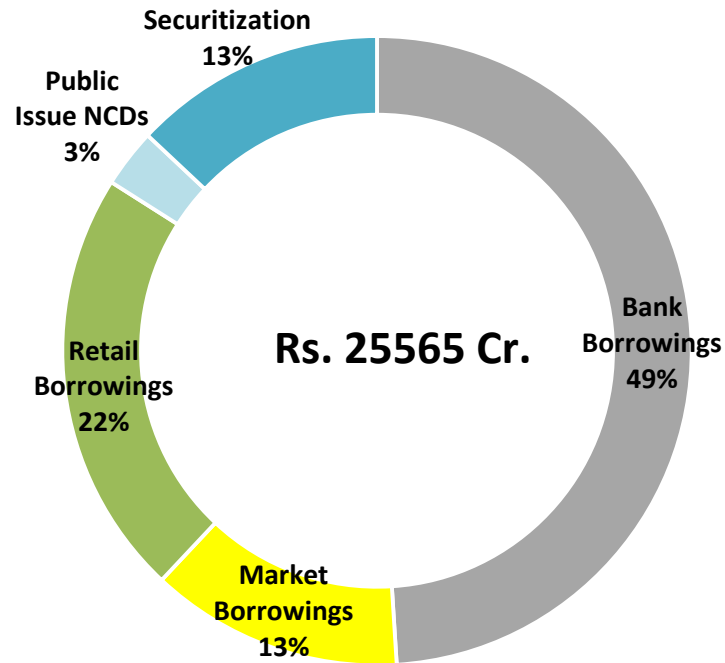


Assets Under Management

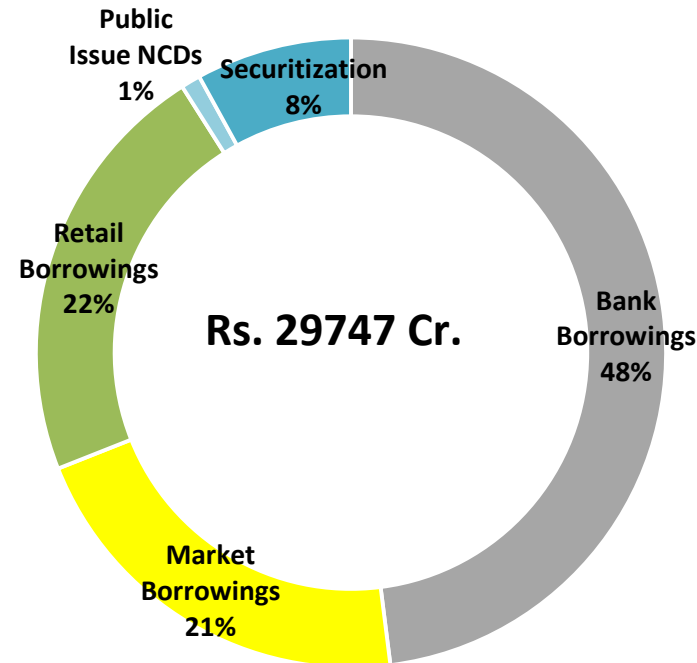
Product Segment	Mar 21		Dec 21		Mar 22	
	Value (Rs. Cr.)	% of AUM	Value (Rs. Cr.)	% of AUM	Value (Rs. Cr.)	% of AUM
Small Enterprises Finance	15069	51.0%	14610	45.3%	14718	44.3%
Two Wheelers	6885	23.3%	7686	23.8%	7764	23.4%
Personal Loans	2007	6.8%	3481	10.8%	4068	12.3%
Gold loans	3789	12.8%	4107	12.7%	4078	12.3%
Preowned Two Wheelers	1087	3.7%	1102	3.4%	1025	3.1%
Auto Loans	546	1.8%	664	2.1%	744	2.2%
Loan Against Property	188	0.6%	597	1.9%	789	2.4%
Assets Under Management	29571	100.0%	32247	100.0%	33186	100.0%

Borrowings Profile

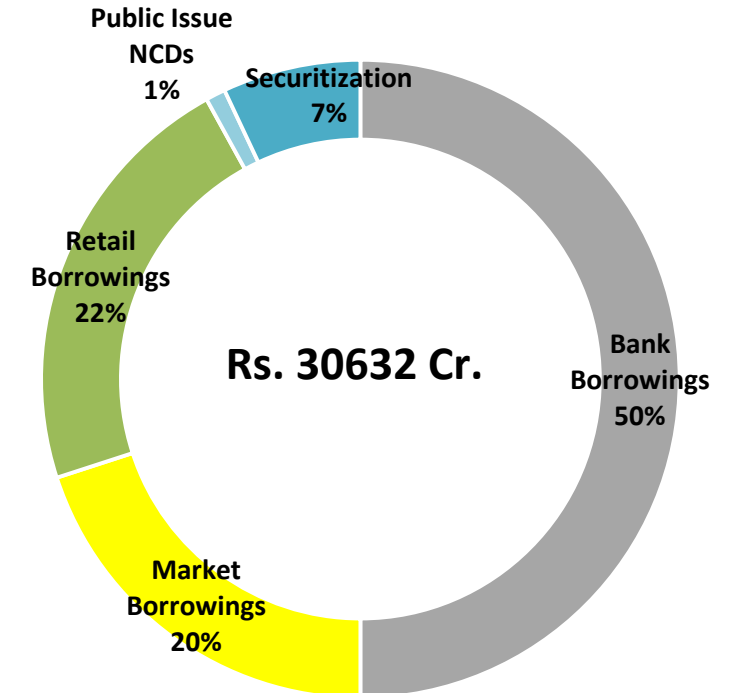
Mar 21



Dec 21



Mar 22



Borrowings Profile (contd.)

CREDIT RATING - LONG TERM



CREDIT RATING - FDs



CREDIT RATING - SHORT TERM



Rs. Crores

ALM Profile

Particulars	Total Inflows	Total Outflows	Mismatch	Cumulative Mismatch
0 - 7 days	4195	653	3543	3543
8 - 14 days	958	167	791	4333
15 - 30 days	2321	723	1598	5931
>1 - 2 months	2142	664	1477	7408
>2 - 3 months	1953	1022	932	8340
>3 - 6 months	4654	3310	1344	9684
>6 - 12 months	8997	9264	-267	9417
>1 - 3 years	10980	11820	-840	8578
>3 - 5 years	3162	3786	-625	7953
> 5 years	2786	10892	-8106	-154
Total	42147	42301	-154	

Provisions Analysis

Provisions Analysis	As at		
	Mar-21	Dec-21	Mar-22
Stage 3 - Gross	1876	2348	2089
Stage 3 - ECL Provisions	999	1112	1030
Stage 3 - Net	877	1236	1059
Stage 3 % - Gross	6.37%	7.30%	6.31%
Stage 3 % - Net	3.08%	3.98%	3.30%
Stage 3 Coverage Ratio (%)	53.24%	47.35%	49.28%
Stage 1 - Gross	25254	25960	27151
Stage 1 - ECL Provisions	881	809	875
Stage 1 - Net	24373	25151	26276
Stage 1 % - Gross	85.71%	80.73%	82.02%
Stage 1 - ECL Provisions %	3.49%	3.12%	3.23%
Stage 2 - Gross	2335	3848	3864
Stage 2 - ECL Provisions	165	199	175
Stage 2 - Net	2170	3649	3689
Stage 2 % - Gross	7.93%	11.97%	11.67%
Stage 2 - ECL Provisions %	7.07%	5.18%	4.52%

Rs. Crores

Note: Covid-19 provisions of Rs. 426 Cr. are included in ECL Provisions as mentioned above

Analysis of Stage 3 - Product wise

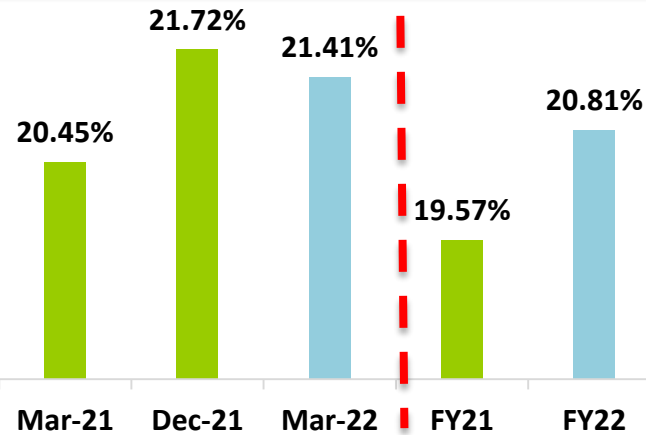
Product Segment	Stage 3 Gross %			Stage 3 Net %			Stage 3 ECL %		
	Mar-21	Dec-21	Mar-22	Mar-21	Dec-21	Mar-22	Mar-21	Dec-21	Mar-22
Small Enterprises Finance	7.26%	8.15%	7.03%	3.00%	4.24%	3.70%	60.50%	50.15%	49.19%
Two Wheeler	5.80%	7.08%	6.04%	3.00%	3.84%	3.13%	49.74%	47.60%	49.74%
Personal Loans	10.51%	11.28%	9.05%	5.76%	6.17%	3.95%	47.96%	48.24%	58.70%
Loan Against Gold	2.86%	2.09%	1.99%	2.73%	2.00%	1.89%	4.86%	4.29%	5.54%
Pre Owned Two Wheeler	2.21%	6.50%	6.28%	1.10%	3.61%	3.34%	50.83%	46.16%	48.46%
Auto Loans	8.56%	10.38%	9.87%	4.37%	5.77%	5.24%	51.16%	47.11%	49.50%
Loan Against Property	0.00%	0.22%	0.47%	0.00%	0.11%	0.23%	0.00%	51.28%	50.51%
Total	6.37%	7.30%	6.31%	3.08%	3.98%	3.30%	53.24%	47.35%	49.28%

Rs. Crores

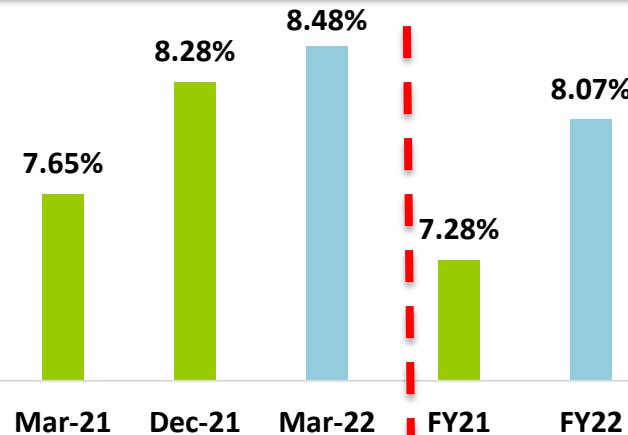
Particulars	Quarter ended			Growth		FY 2021	FY 2022	FY22 over FY21
	Mar 21	Dec 21	Mar 22	YOY	QOQ			
Assets Under Management	29571	32247	33186	12.2%	2.9%	29571	33186	12.2%
Interest Income	1486	1702	1751	17.8%	2.9%	5738	6531	13.8%
Interest Expenses	556	649	694	24.8%	6.9%	2134	2533	18.7%
Net Interest Income	930	1053	1057	13.7%	0.4%	3604	3998	10.9%
Operating Expenditure	378	447	463	22.4%	3.5%	1364	1649	20.9%
Pre Provision Profits	552	606	594	7.8%	-1.9%	2240	2349	4.8%
Provisions & Write offs	164	219	176	7.6%	-19.4%	851	888	4.3%
Profit Before Tax	388	387	418	7.8%	8.0%	1389	1461	5.2%
Taxes	106	94	115	8.5%	21.1%	378	375	-0.9%
Profit After Tax	282	293	303	7.6%	3.7%	1011	1086	7.4%

Key Financial Metrics (contd.)

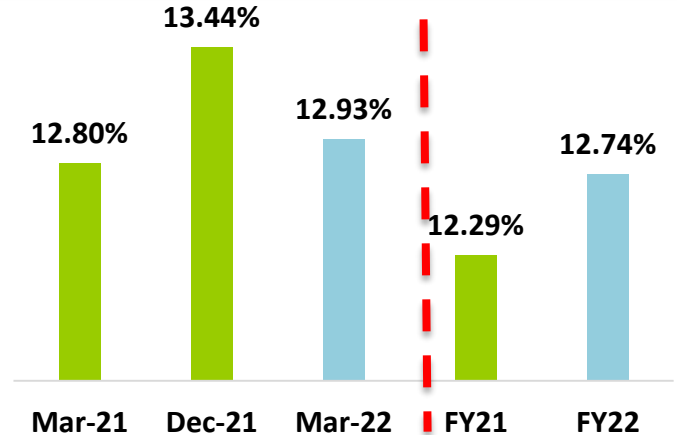
Yield on Assets



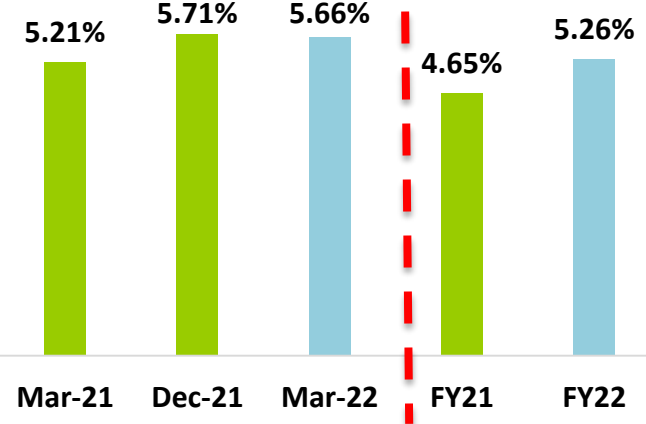
Finance Cost



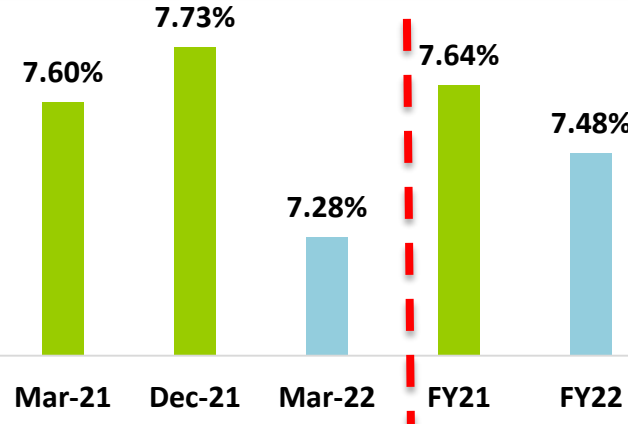
Net Interest Margin



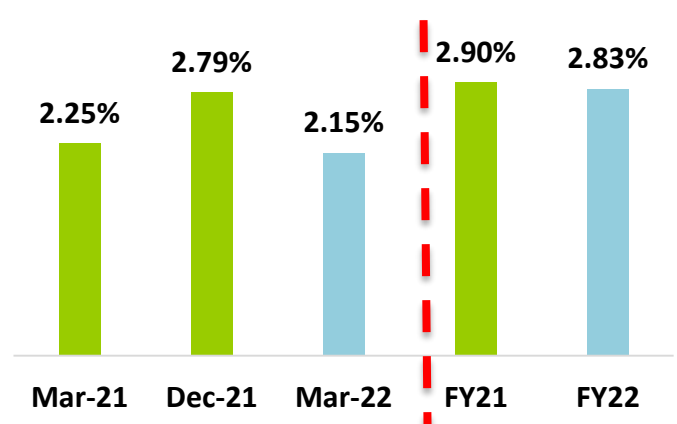
Operating Expenses



Pre Provision Profits

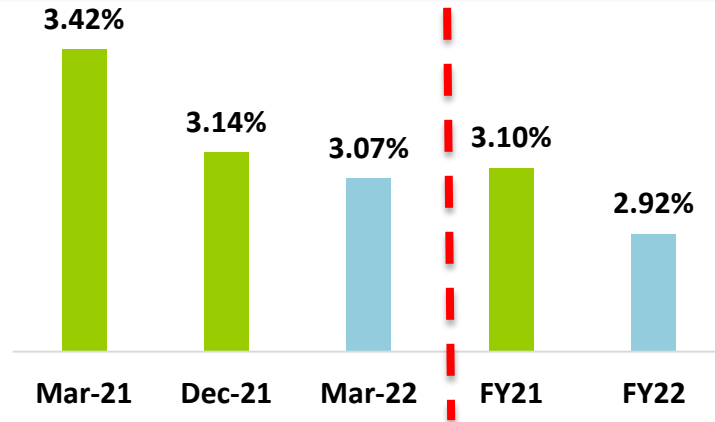


Credit Costs

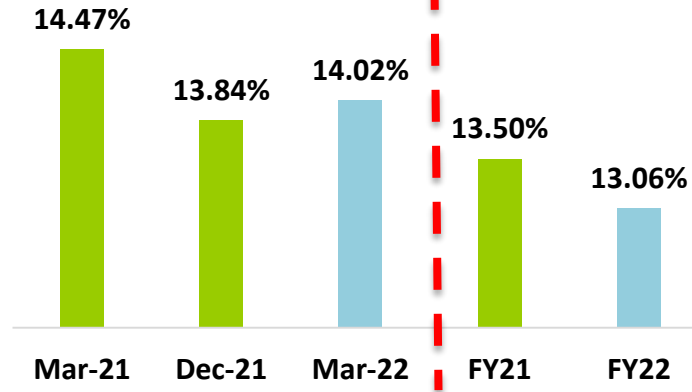


Key Ratios

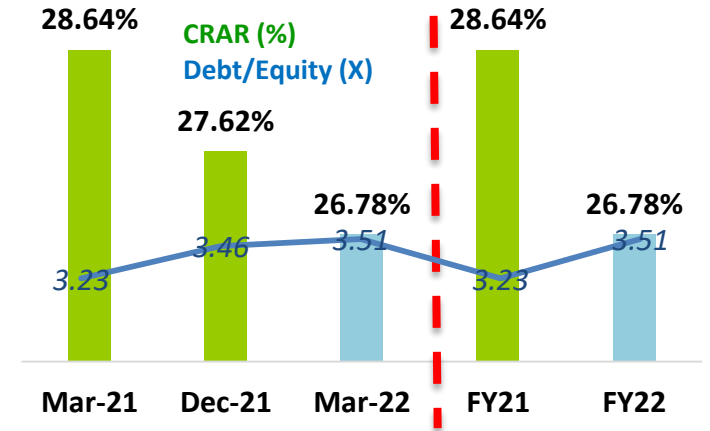
Return on Assets (%)



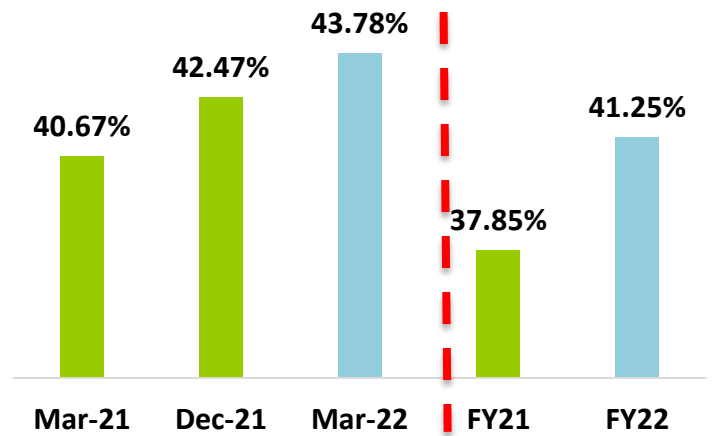
Return on Net worth



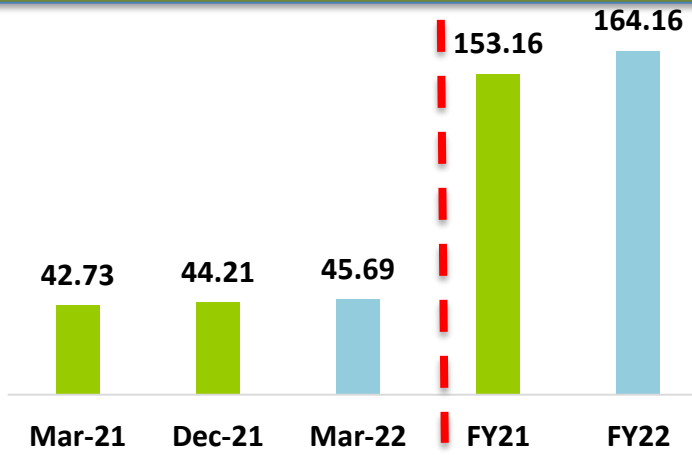
CRAR & Debt/Equity



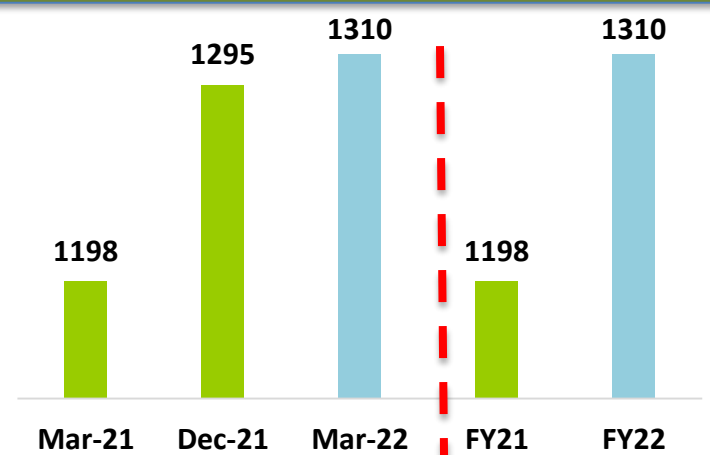
Cost to income ratio (%)



Earnings Per Share (Rs.)



Book Value Per Share (Rs.)





Standalone Numbers

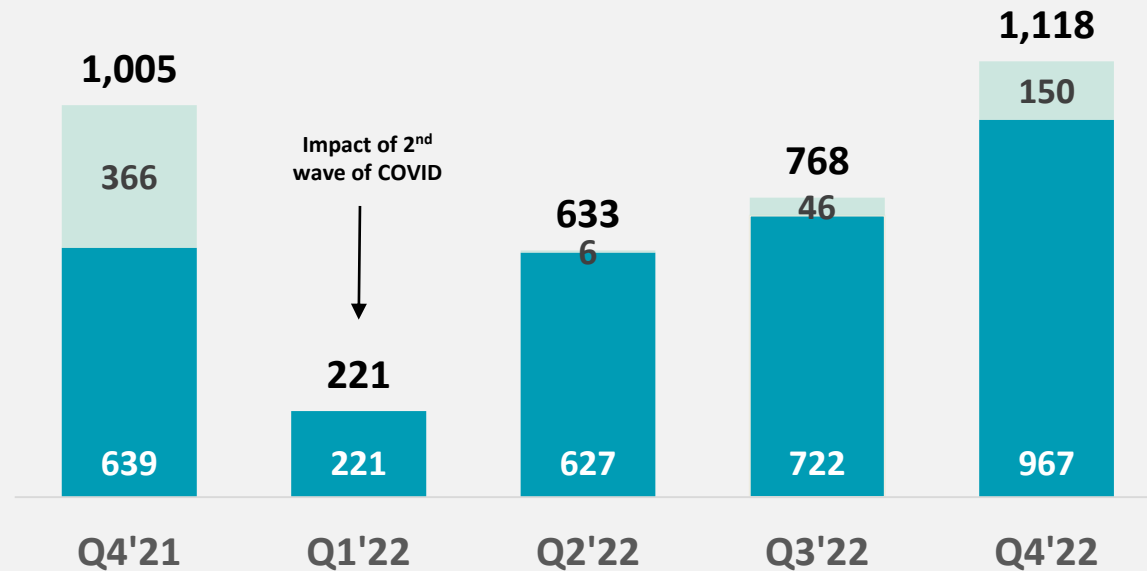
Executive Summary - SHFL

- **Assets Under Management (AUM)** : 5000 Cr. Milestone crossed in Q4FY22. AUM as at end of Q4FY22 stands at Rs. 5,355 Cr versus Rs. 3,929 Cr in Q4FY21 and Rs. 4,606 Cr in Q3FY22, representing growth of 36% YOY and 16% QOQ.
- **Disbursements** : Q4FY22 disbursements of Rs. 1,118 Cr were the highest quarterly disbursements ever, as against Rs. 1,005 Cr in Q4FY21 and Rs. 768 Cr in Q3FY22 representing a YOY growth of 11% and QOQ growth of 46%. FY22 also clocked highest annual disbursements of Rs. 2,739 Cr representing 25% growth YOY.
- **Portfolio Quality** : Lowest 90+ DPD of 0.97% on AUM since inception. Gross Stage 3 Assets also lowest at 1.11% on Loan Book (excl. impact of RBI Circular dated 12th Nov'21). With impact of RBI Circular, Gross Stage 3 Assets are 1.72% on Loan book.
- **Profits** : Profit before Tax of 100 Cr.+ recorded in FY'22, first time since inception representing 30% growth YoY.
- **Distribution Network**: 100+ branches (additional 21 opened in FY22) represents investment in our distribution network.
- Post its successful launch in AP/TG across 178 locations (contributing 8% of quarterly Home Loan originations), “Griha Poorti”, the initiative launched to leverage on the group’s vast distribution network, has now been extended to Gujarat. 22 locations in Gujarat have been activated in Q4FY22, another 18 are in the pipeline and will be activated in Q1FY23.
- Key features of “Griha Poorti”: 100% direct origination, granular portfolio, yield of 13.1% and negligible delinquency.
- Average ticket size of retail portfolio : Rs. 16.4 Lacs. Home loan yield of 12.0%
- Collection efficiency of 100.8% in March 2022
- Strong liquidity back up of Rs. 1445 Cr. in the form of cash & bank balances and un-availed credit lines
- Incremental borrowing cost declined by 163 bps YoY to 6.98% for FY22. NHB refinance of Rs. 500 Cr. availed.
- Comfortable ALM position with nil negative mismatch on cumulative basis

Investments in distribution paying off, trend to continue in FY'23

Quarterly Disbursement Trend

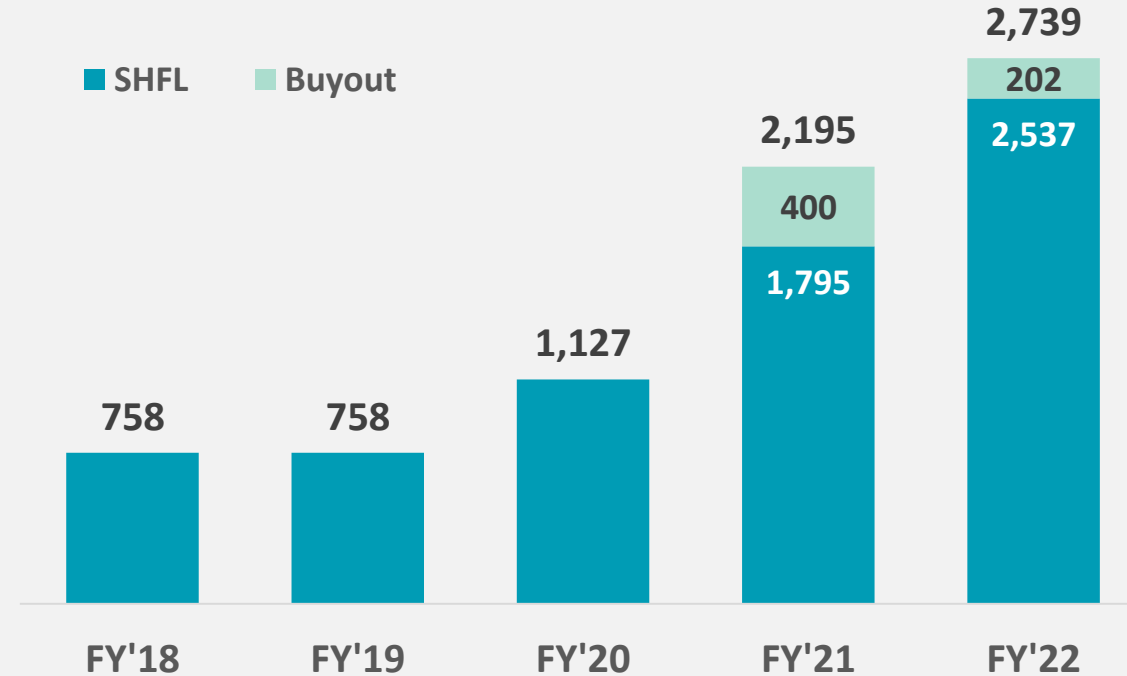
■ SHFL ■ Buyout



Yearly Disbursement Trend

Values in Cr.

■ SHFL ■ Buyout

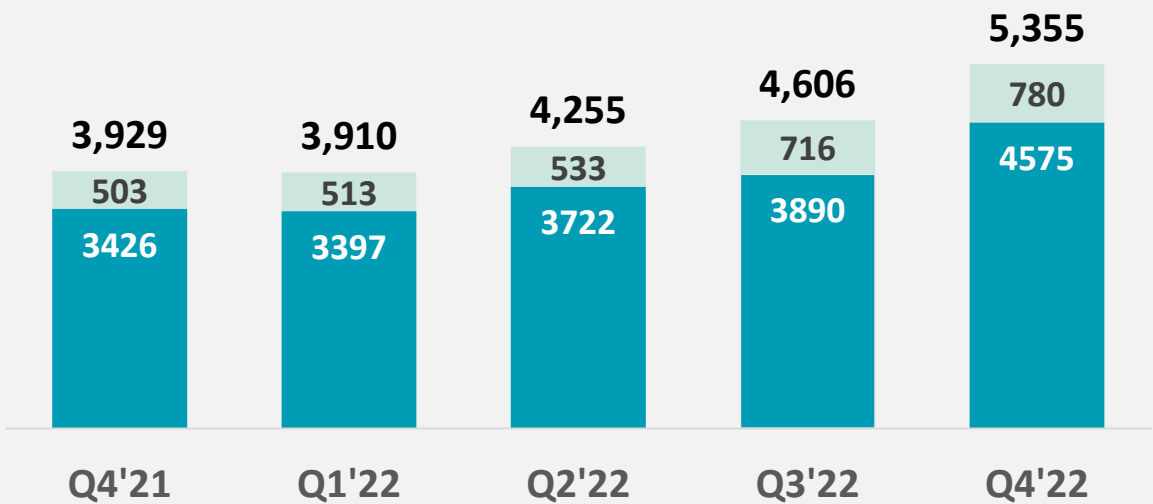


41% growth in Originations; Total disbursals grew by 25% YoY.
Highest quarterly disbursement since inception in Q4'22

AUM grew by 36% YoY on back of strong disbursements

Quarterly AUM Trend

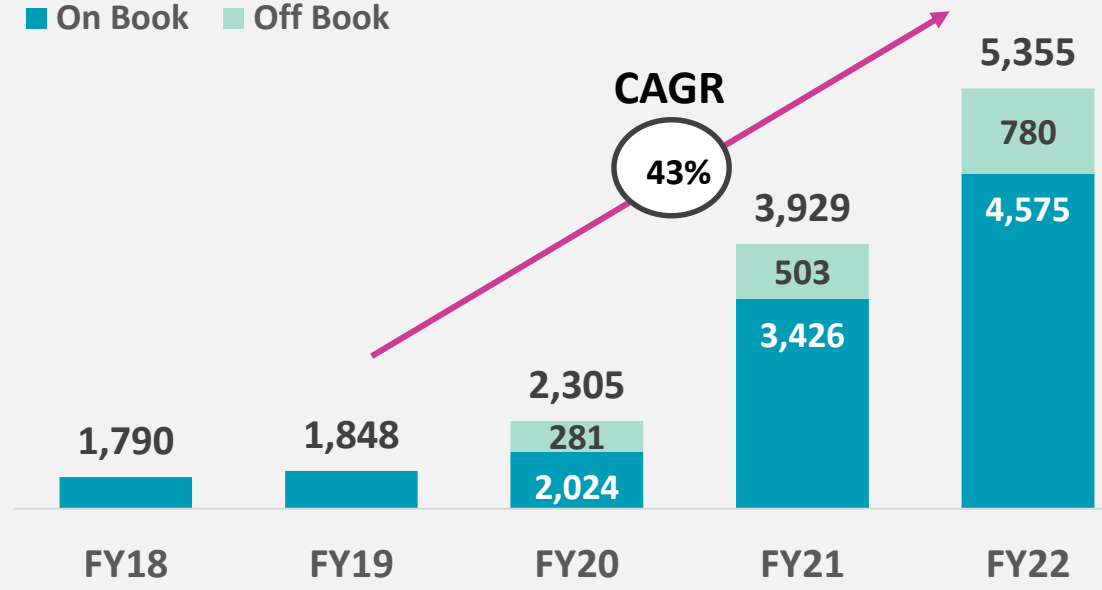
■ On Book ■ Off Book



Yearly AUM Trend

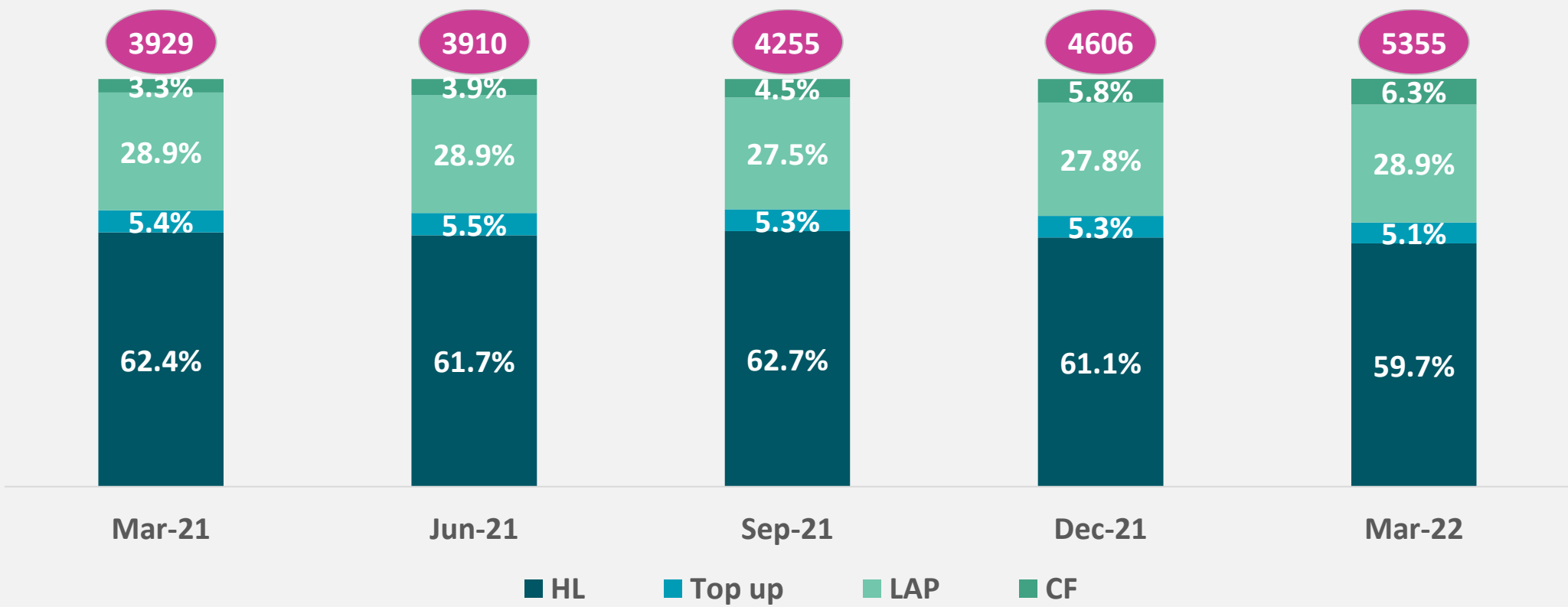
Values in Cr.

■ On Book ■ Off Book

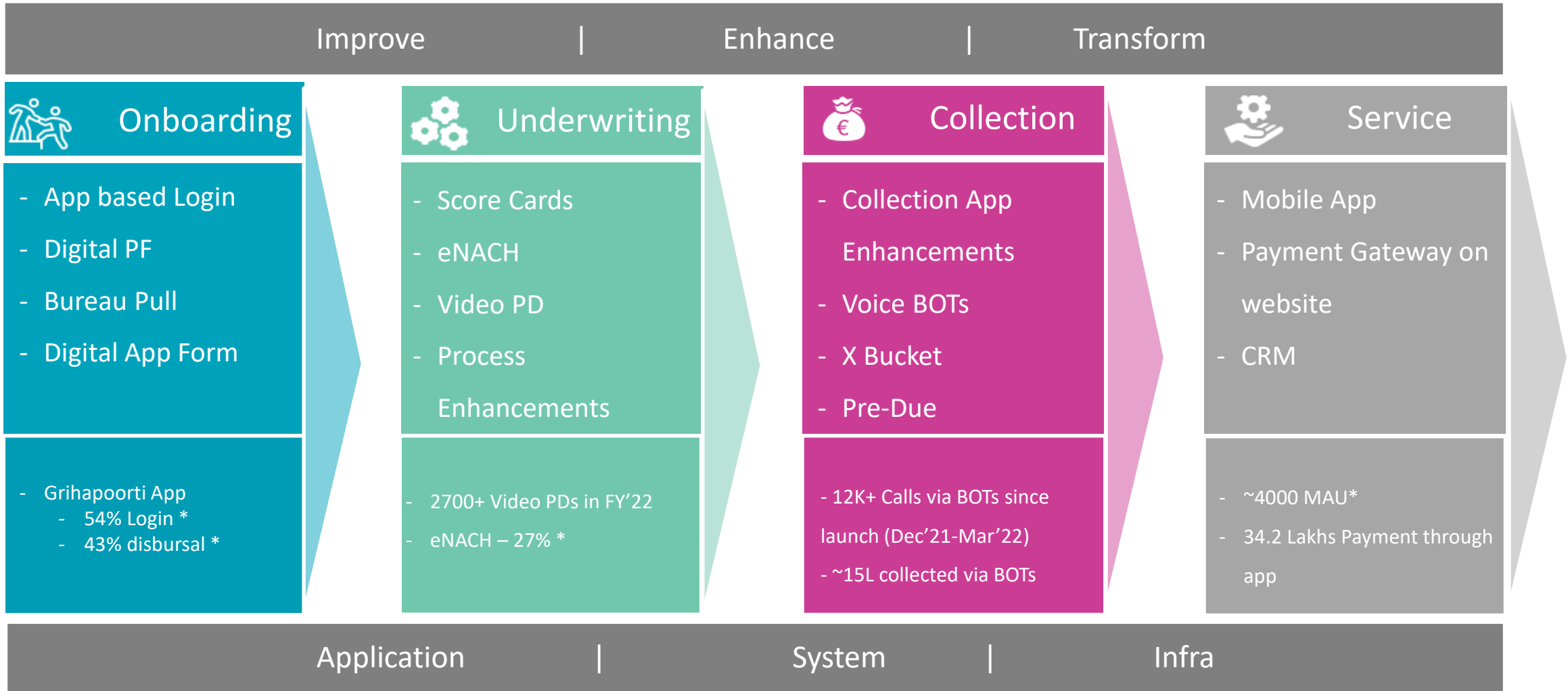


Focused growth strategy resulted in AUM crossing 5000 Cr in Feb'22; 43% CAGR over last 3 years

Product Mix @ Portfolio



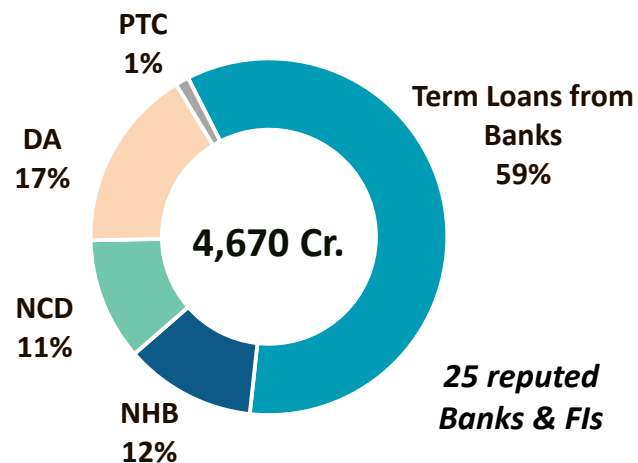
Customer lifecycle digitization - SHFL



*Data for March'22; *MAU – Monthly Active Users

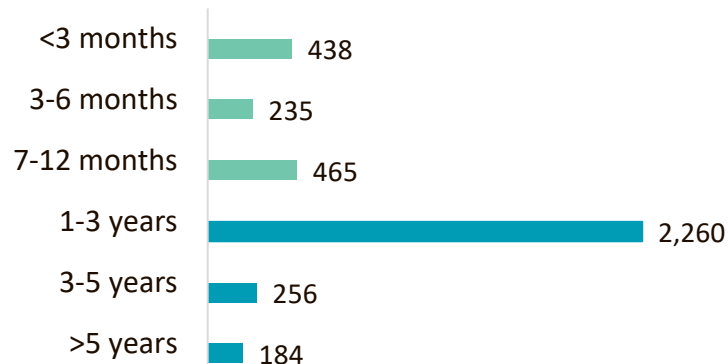
Borrowings Profile - SHFL

NHB now part of diverse lender base



Stable long-term funding *

Debt Maturity Profile (INR Cr.)



* Excludes Securitization (DA & PTC)

Augmented by high credit ratings

CRISIL
An S&P Global Company

→ **AA (CWP#)**

India Ratings & Research
A Fitch Group Company

→ **AA (Positive)**

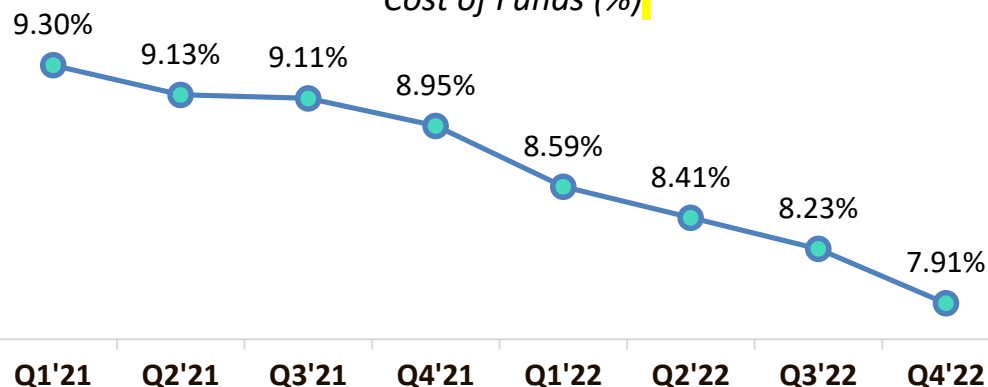
CARE Ratings
Professional Risk Opinion

→ **AA (CWP#)**

Credit Watch Positive

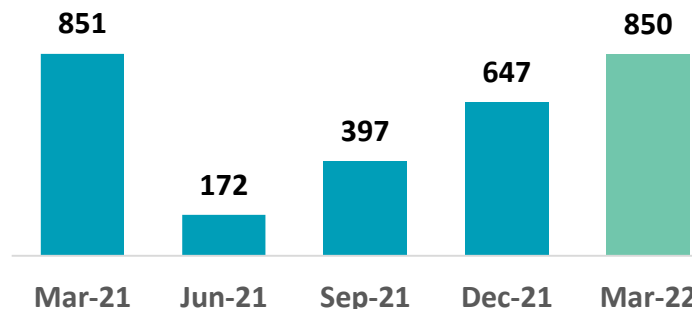
Continuous Decline in Cost of Funds

Cost of Funds (%)



Debt raise trend

Amount in INR Cr.



Increasing Net-worth

1,135 Cr.



Comfortable CRAR

30.9%

Provisions Analysis (ECL computation under Ind-AS) - SHFL

Particulars (INR Crore)	31-Mar-22	31-Dec-21	31-Mar-21
Gross Stage 1 & 2	4,495.7	3,794.3	3,361.9
ECL Provision Stage 1 & 2	34.0	26.4	24.3
Net Stage 1 & 2	4,461.8	3,767.9	3,337.5
ECL Provision % Stage 1 & 2	0.8%	0.7%	0.7%
Gross Stage 3 (Regular)	50.9	66.9	64.2
Gross Stage 3 (RBI Circular dated 12 th Nov'21)	27.8	29.2	-
Gross Stage 3	78.8	96.1	64.2
ECL Provision Stage 3 (Regular)	14.4	15.1	14.1
ECL Provision Stage 3 (RBI Circular dated 12 th Nov'21)	4.0	4.2	-
Net Stage 3	60.4	76.8	50.2
Coverage Ratio % Stage 3	23.4%	20.0%	21.9%
Gross Assets	4,574.5	3,890.4	3,426.1
Total Provision (Including Special COVID Provision)	52.4	54.2	48.4
Net Assets	4,522.1	3,836.2	3,377.7
Total Provision (including COVID Provision) / Gross Assets (%)	1.1%	1.4%	1.4%
Provision Coverage Ratio (%)	66.5%	56.4%	75.4%

Note: ECL Provision of 4.0 Cr INR made on loans classified as Stage-3 on account of RBI Circular against regular ECL requirement of 0.57 Cr

Key Financial Metrics - SHFL

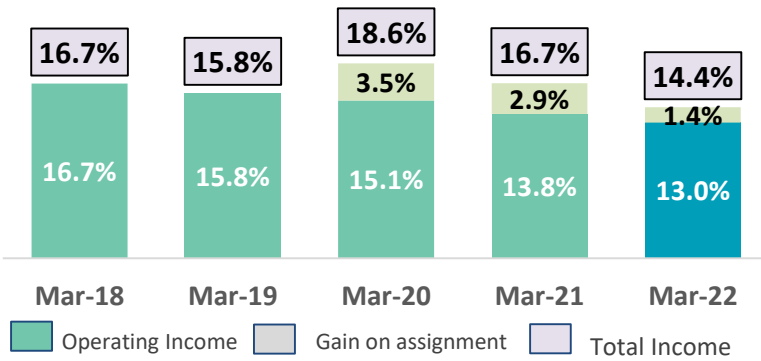
Value in Cr. Financials	FY'22	Y-o-Y Comparison		Q4'22	Y-o-Y Comparison	
		FY'21	Δ YoY		Q4'21	Δ YoY
Loan Book	4575	3426	33.5%	4575	3426	33.5%
Disbursals	2739	2195	24.8%	1118	1005	11.2%
Total Income	549.2	422.3	30.0%	149.6	111.0	34.8%
Interest Income	422.6	302.6	39.6%	114.5	84.1	36.2%
Net gain on Assignment	55.1	73.9	(25.5)%	12.8	9.0	41.7%
Other Income	71.5	45.8	56.2%	22.3	17.9	24.6%
Interest Expense	280.6	208.0	34.9%	70.3	60.6	15.9%
NIM	268.6	214.3	25.3%	79.3	50.4	57.4%
Operating Cost	148.6	110.0	35.2%	43.8	33.8	29.6%
- Personnel Costs	85.2	66.5	28.2%	24.5	19.7	24.2%
- Other Costs	63.4	43.5	45.7%	19.3	14.1	37.2%
Profit before provisions & tax	119.9	104.4	14.9%	35.5	16.6	114.1%
Provisions & write-offs	10.8	20.1	(46.4)%	5.1	2.4	116.8%
PBT	109.1	84.2	29.6%	30.4	14.2	113.6%
Taxes	28.8	21.9	31.8%	8.3	0.0	nm
PAT	80.3	62.4	28.8%	22.1	14.2	55.6%

- Income Reversal of 16 Cr related to prior period on account of Assignment Income recognition methodology change
- Expenses include ~14 Cr investment in Griha Poorti in FY'22, benefits to accrue next year

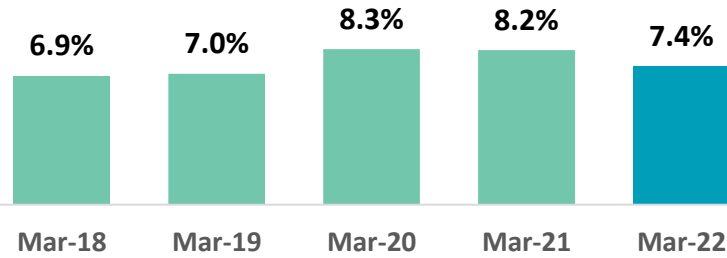
Note: Financials are as per IND-AS

Key Financial Metrics & Ratios - SHFL

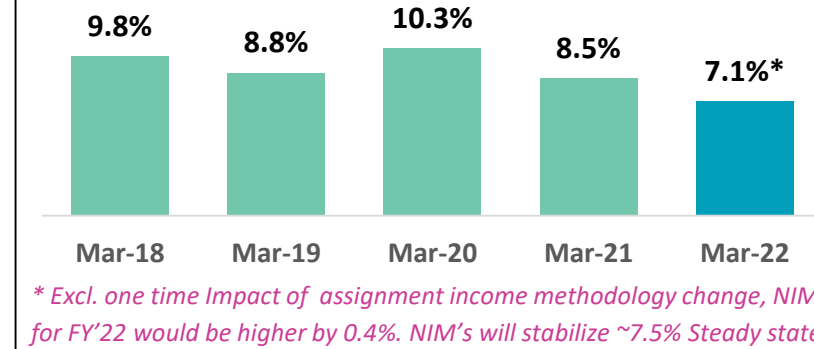
Yield on Assets



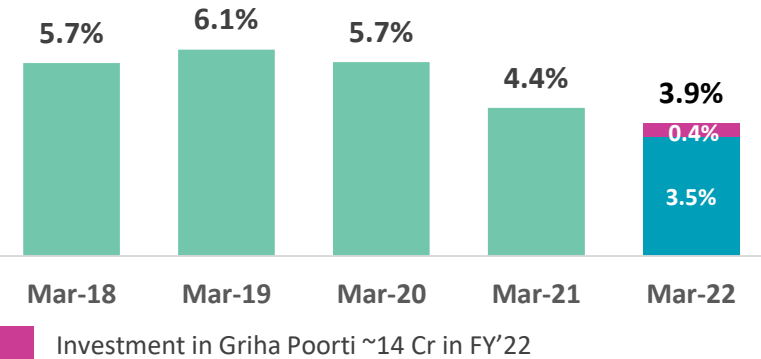
Interest Expenses



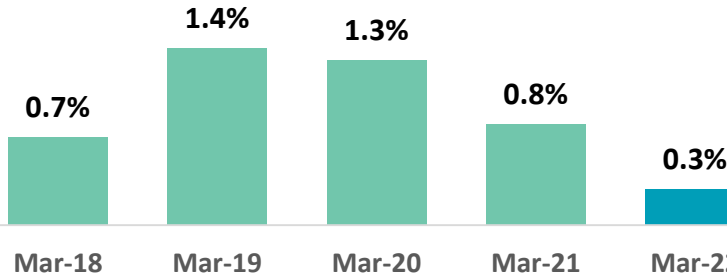
NIM



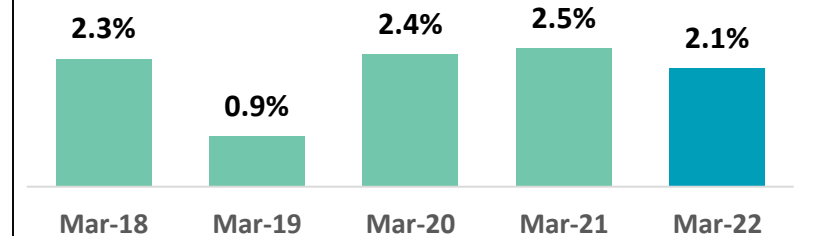
Operating Expenses



Credit Cost



Return On Assets



- FY'22 includes 30 Cr adverse impact on OPEX related to investments in Griha Poorti of ~14 Cr and one time negative impact on Revenue and NIMs of 16 Cr on account of methodology change for recognizing Gain on Assignment income
- Expect FY'23 to see benefits on increased distribution network and rationalized income recognition policy

Note: All numbers are calculated as % of Avg. Loan book

Thank You

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