

Ref: D: STEC

May 2, 2017

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: Scrip Code: BSE – 532498 and NSE - SHRIRAMCIT

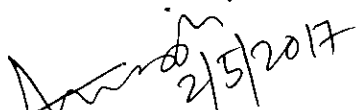
Please find attached the presentation on financial results made by the Company to analysts / institutional investors. This is an intimation under Regulation 30 read with Schedule III (Part A) (15) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations,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

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

SHRIRAM CITY UNION FINANCE LIMITED

**Performance Review for the quarter & year ended
March 2017**

Performance Updates

- Shriram City during the year ended March 2017, recorded 18.2% growth in Assets Under Management and AUM as at March 2017 is at Rs. 23132 Crores. Non gold portfolio recorded a 21.9% growth as compared to year ended march 2016. On quarterly basis total AUM grew by 2.6% and non gold portfolio recorded a 2.7% growth.
- Small enterprise finance portfolio continues to remain as the largest contributing segment at 54.7% of total AUM. This segment has recorded a 20.9% growth on a YOY basis.
- Disbursements for the year stood at 22356 Cr – growth of 19.9% as compared to previous year. 41% of disbursements are in small enterprise finance portfolio. For the quarter disbursements were at Rs. 6245 Crores – growth of 21.4% as compared to previous quarter ended Dec 2016.
- As per the regulatory requirements, NPA is recognized at 120 days past due basis as compared to 150 dpd upto previous quarter.
- Yield on assets for the year ended March 2017 stood at 20.75% as compared to 21.13% in previous year
- Cost of borrowings recorded a dip of 56 bps and is at 9.76% as compared to 10.32% in March 2016
- Net interest margin stood at 13.57% for the year ended March 2017 as compared to 13.51% in March 2016 For the quarter the same stood at 12.50% (dip being on account of income reversals)

Performance Updates contd.,

- Personnel expenses & Opex grew at 7.2% and 9.2% respectively for the year and is at 5.32% of the average AUM as compared to 5.78% during the previous year.
- NPA is recognized at 120 days past due basis and Gross NPA is at 6.73%. Coverage has been made at 73.3% and the Net NPA stood at 1.79%
- Profit before tax for the year stood at Rs. 853.64 Crores, a growth of 5.8% as compared to March 2016. For the quarter PBT stood at 20.61 Crores.
- Profit After tax for the year ended March 2017 stood at Rs. 556.06 Crores as compared to 529.78 Cr in March 2016 – a growth of 5% on YOY basis. PAT for the quarter stood at Rs. 12.04 Cr.

Performance Updates contd.,

- Personnel expenses & Opex grew at 7.2% and 9.2% respectively for the year and is at 5.32% of the average AUM as compared to 5.78% during the previous year.
- NPA is recognized at 120 days past due basis and Gross NPA is at 6.73%. Coverage has been made at 73.3% and the Net NPA stood at 1.79%
- Recoveries during the quarter saw an improvement as compared to the previous quarter which witnessed the impact of demonetization.
- Collections in Q3 which witnessed a dip of 9.9% saw an improvement in the current quarter upto 8.2% being recovered & balance will be recovered in the coming quarters.
- Recoveries out of NPA which saw a dip in previous quarter to 11.6% as compared to 16% in earlier quarters, witnessed an improvement in Q4 & stood at 13.8%
- Profit before tax for the year stood at Rs. 853.64 Crores, a growth of 5.8% as compared to March 2016. For the quarter PBT stood at 20.61 Crores.
- Profit After tax for the year ended March 2017 stood at Rs. 556.06 Crores as compared to 529.78 Cr in March 2016 – a growth of 5% on YOY basis. PAT for the quarter stood at Rs. 12.04 Cr.

Performance Highlights – Quarter & Year Ended March 2017

(INR in Crores)

Particulars	Quarter ended			Growth		As at		YOY Growth
	Mar-16	Dec-16	Mar-17	YOY	QOQ	Mar-16	Mar-17	
Assets Under Management	19576	22544	23132	18.2%	2.6%	19576	23132	18.2%
Disbursements	5223	5146	6245	19.6%	21.3%	18649	22356	19.9%
Income from Operations	976	1156	1107	13.5%	-4.2%	3835	4432	15.6%
Interest Expenses	353	393	394	11.4%	0.1%	1383	1534	10.9%
Net Interest Income	622	762	713	14.6%	-6.4%	2451	2897	18.2%
Other Income	16	1	0	-96.9%	-16.2%	21	3	-86.3%
Personnel Expenses	153	139	139	-9.1%	-0.4%	513	550	7.2%
Operating Expenses (incl Depreciation)	143	158	143	-0.4%	-9.9%	536	586	9.2%
Pre Provisions Profits	342	465	432	26.3%	-7.1%	1423	1764	24.0%
Provisions & Write offs	256	224	412	60.8%	83.7%	616	911	47.7%
Profit Before Tax	86	241	21	-76.1%	-91.5%	807	854	5.8%
Profit After Tax	55	158	12	-78.3%	-92.4%	530	556	5.0%

Disbursements & Assets Under Management

(INR in Crores)

Product Segment	Disbursements (quarter ended)			Growth		Year ended		Growth
	Mar-16	Dec-16	Mar-17	YOY	QOQ	Mar-16	Mar-17	
Small Enterprises Finance	2282	1934	2405	5.1%	24.4%	8170	9133	11.8%
Two Wheeler	984	1208	921	-6.9%	-23.8%	3718	4143	11.4%
Loan Against Gold	1441	1430	2229	35.4%	55.9%	4892	6641	35.7%
Others	515	575	690	25.3%	20.1%	1868	2440	30.6%
Total Disbursements	5223	5146	6245	16.4%	21.3%	18649	22356	19.9%

Product Segment	Assets Under Management (as at)			Growth	
	Mar-16	Dec-16	Mar-17	YOY	QOQ
Small Enterprises Finance	10473	12313	12659	20.9%	2.8%
Two Wheeler	3491	4120	4058	16.2%	-1.5%
Loan Against Gold	3408	3362	3427	0.6%	1.9%
Others	2204	2749	2988	35.6%	8.7%
Total AUM	19576	22544	23132	18.2%	2.6%

Analysis on Average AUM

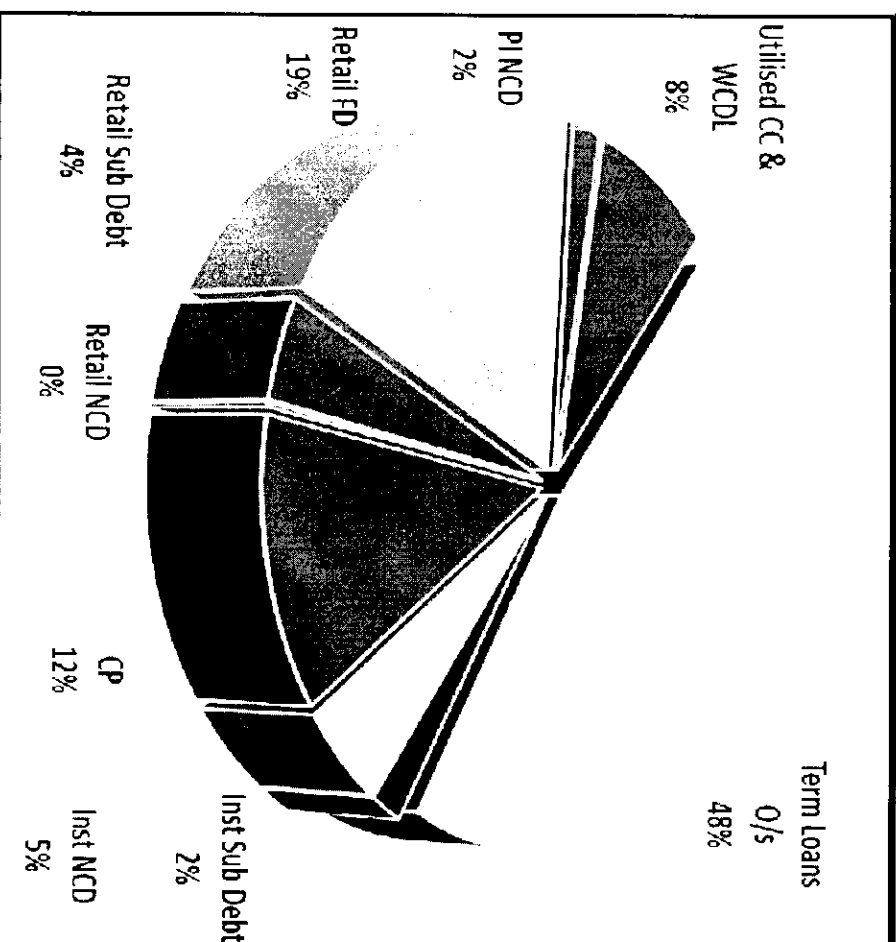
(INR in Crores)

Analysis on Average AUM	Quarter ended			Year ended	
	Mar-16	Dec-16	Mar-17	Mar-16	Mar-17
Income from Operations	20.23%	21.05%	19.39%	21.13%	20.75%
Financial Expenses	7.33%	7.16%	6.90%	7.62%	7.19%
Gross Spread	12.90%	13.88%	12.50%	13.51%	13.57%
Personnel Expenses	3.17%	2.54%	2.43%	2.83%	2.58%
OPEX	2.97%	2.88%	2.50%	2.95%	2.74%
Total Expenses	6.14%	5.42%	4.93%	5.78%	5.32%
Other Income	0.34%	0.01%	0.01%	0.12%	0.01%
Pre Provision Profits	7.10%	8.47%	7.57%	7.84%	8.26%
Provisions & Write offs	5.31%	4.08%	7.21%	3.40%	4.26%
Net Spread (Pre Tax)	1.79%	4.39%	0.36%	4.45%	4.00%

Borrowing Profile

Segment wise Borrowing as at Mar 17

(INR in Crores)



Details as at Mar 2017				
Particulars	Total	Fixed	Semi Fixed	Floating
Total Borrowings (Rs. Cr)	17042	48%	28%	25%
Weighted Average Tenor (in Months)	20.08	13.69	27.35	24.24

NPA Details

(INR in Crores)

Particulars	As at		
	Mar-16	Dec-16	Mar-17
	150 DPD	150 DPD (dispensation availed)	120 DPD
NPA Recognition Norms			
GNPA	980	993	1537
NNPA	297	125	410
Provisions	683	868	1127
Total Assets	19024	22132	22847
GNNPA %	5.15%	4.49%	6.73%
NNPA %	1.56%	0.57%	1.79%
Coverage Ratio	70%	87%	73%

Product Segment	GNPA%	NNPA%	Coverage Ratio
Small Enterprises Finance	7.12%	2.11%	70%
Two Wheelers	7.37%	2.13%	71%
Auto Loans	8.99%	2.47%	73%
Personal Loans	8.78%	-	100%
Loan Against Gold	2.68%	0.80%	70%
Total	6.73%	1.79%	73.3%

Key Ratios

Particulars	Quarter Ended			Year ended	
	Mar 16	Dec 16	Mar 17	Mar 16	Mar 17
Tier I CRAR	23.36%	22.64%	22.25%	23.36%	22.25%
Tier II CRAR	2.78%	2.00%	1.67%	2.78%	1.67%
Capital Adequacy Ratio (%)	26.14%	24.65%	23.91%	26.14%	23.91%
Return on Average Net Worth (%)	4.91%	12.87%	0.97%	12.33%	11.67%
Return on Average Total Assets (%)	1.08%	2.74%	0.20%	2.72%	2.45%
Leverage	3.20	3.32	3.39	3.20	3.39
Book Value (Rs.)	683.32	750.84	762.08	683.32	762.08
Earnings Per Share (Rs.)	8.42	23.92	1.83	80.37	84.34

Subsidiary Performance Review

-Shriram Housing

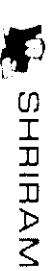
Financial Highlights (1/2)



Particulars (INR cr.)	Q-o-Q comparison			Y-o-Y comparison		
	March 2016	Dec 2016	March 2017	YOY Growth	QOQ Growth	FY16 FY17 Growth
AUM	1,275.0	1,833.4	1,775.0	39.2%	(3.2%)	1,275.0 1,775.0 39.2%
Disbursements	272.9	183.1	128.3	(53.0%)	(29.9%)	792.5 964.6 21.7%
<i>Retail Disbursements</i>	<i>244.6</i>	<i>169.7</i>	<i>110.7</i>	<i>(54.8%)</i>	<i>(34.8%)</i>	<i>710.1 765.6 7.8%</i>
<i>CF Disbursements</i>	<i>28.3</i>	<i>13.5</i>	<i>17.6</i>	<i>(37.5%)</i>	<i>31.2%</i>	<i>82.4 199.0 141.5%</i>
Income from Ops	49.2	74.3	73.3	48.9%	(1.4%)	167.2 276.7 65.5%
Total Income	49.3	75.6	73.7	49.5%	(2.6%)	167.5 279.2 66.7%
Interest expenses	17.5	33.5	32.4	84.6%	(3.2%)	56.5 117.2 107.4%
Employee exp.	8.7	12.3	11.0	27.0%	(10.0%)	27.6 47.0 70.4%
Other expenses	10.0	11.4	10.9	8.8%	(4.0%)	30.1 43.3 43.6%
Prov. & write-offs	2.1	4.8	12.2	472.2%	156.4%	10.5 27.8 164.6%
Profit Before Tax	10.9	13.8	7.1	(34.5%)	(48.3%)	42.7 43.9 2.8%
Profit After Tax	7.3	8.4	5.3	(27.8%)	(36.6%)	29.0 29.0 0.0%

- AUM has contracted due to low disbursement (30%), higher attrition (7.3%) and reconstruction of portfolio through ARCIL (~INR 50 cr.)
- Drop in q-o-q disbursement (30%) owing to various factors including demonetization
- Provisions & w/o is higher due to higher GNPA (Mar'17 incl. ARCIL portfolio @ 5.30% vs 2.76% in Mar'16)
- Quarterly PBT has reduced due to higher provisioning (swing of INR 7.4 cr. against swing in PBT by INR 6.7 cr.)

Financial Highlights (2/2)



Particulars	Q-o-Q comparison					Y-o-Y comparison		
	March 2016	Dec 2016	March 2017	Variance YOY	Variance QOQ	FY16	FY17	Variance
Income from Ops (% of avg. AUM)	16.79%	16.44%	16.48%	0.0%	(0.3%)	16.62%	18.14%	1.5%
NIMs	10.81%	9.04%	9.20%	0.2%	(1.6%)	11.00%	10.45%	(0.5%)
Cost to Income Ratio	59.00%	56.05%	53.18%	(2.9%)	(5.8%)	52.03%	55.75%	3.7%
Gross NPAs	2.76%	3.65%	2.59%	(1.1%)	(0.2%)	2.76%	2.59%	(0.2%)
Net NPAs	1.99%	2.55%	1.82%	(0.7%)	(0.2%)	1.99%	1.82%	(0.2%)
ROA	2.33%	1.66%	1.10%	(0.6%)	(1.2%)	2.66%	1.75%	(0.9%)
ROE	7.66%	8.18%	5.20%	(3.0%)	(2.5%)	7.72%	7.19%	(0.5%)
Debt / Equity	2.19x	3.53x	3.33x	(0.20x)	1.13x	2.19x	3.33x	1.13x
Capital Adequacy Ratio	42.85%	29.00%	29.95%	1.0%	(12.9%)	42.85%	29.95%	(12.9%)
Net worth (INR cr.)	389.01	409.00	417.21	8.21	28.19	389.01	417.21	28.19

- Net NPA has reduced from 1.99% to 1.82% Y-o-Y (effect of ARCIL deal and PCR @ 30%)
- ROA & ROE contracted due to higher provisioning impacting PAT

Thank You