

Ref: STEC NSE/BSE 07/2020

January 30, 2020

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**

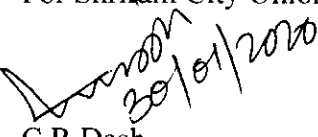

Please find attached the presentation on financial results made by the Company to analysts / institutional investors. This is an intimation under Regulation 30 read with Schedule III (Part A) (15) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations,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

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**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



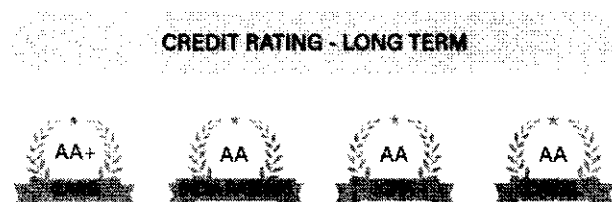
## **Investor Presentation**

**Q3FY20**

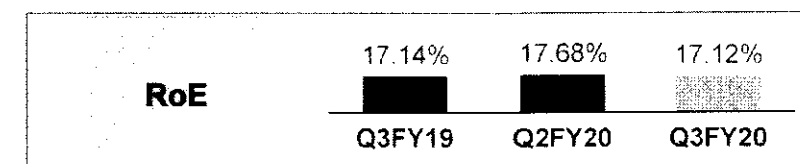
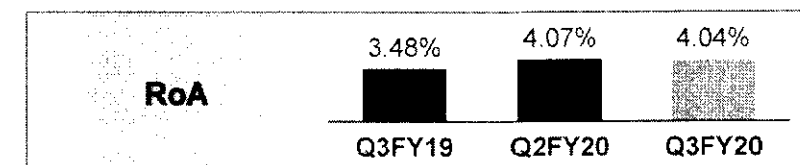
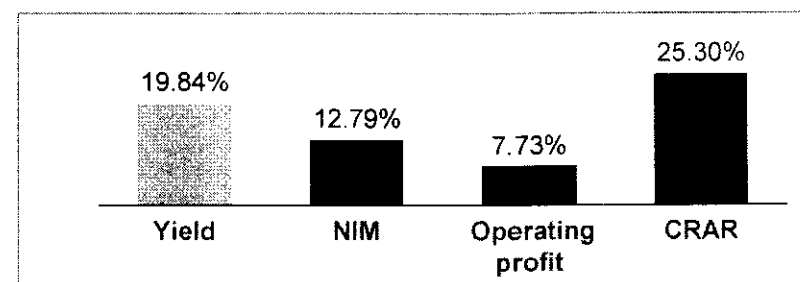
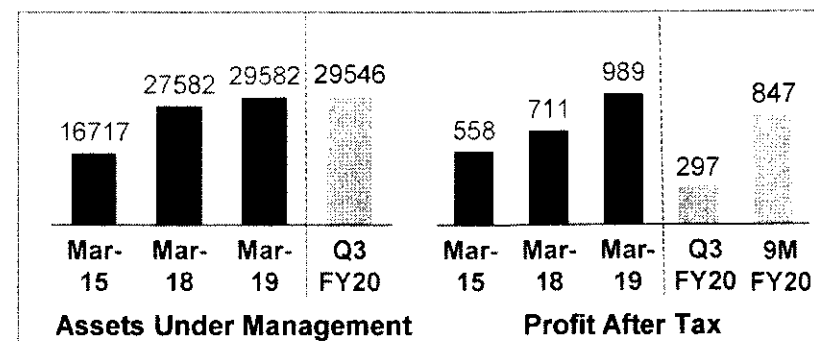
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# Company Background

- Market leader – differentiated position in large under-served retail markets
- Strong parentage and an established track record in financial services
- Strong business fundamentals with diversification-led growth
- Healthy capitalization and balance Sheet with adequate liquidity
- Primarily caters to under-banked customers
- 947 branches with strong presence in rural and semi-urban markets
- Leading small enterprise finance company in India in the Small Loans segment
- Leading two-wheeler financier in India
- Active customer base of **40.5** Lakhs. Strong base of **28274** employees

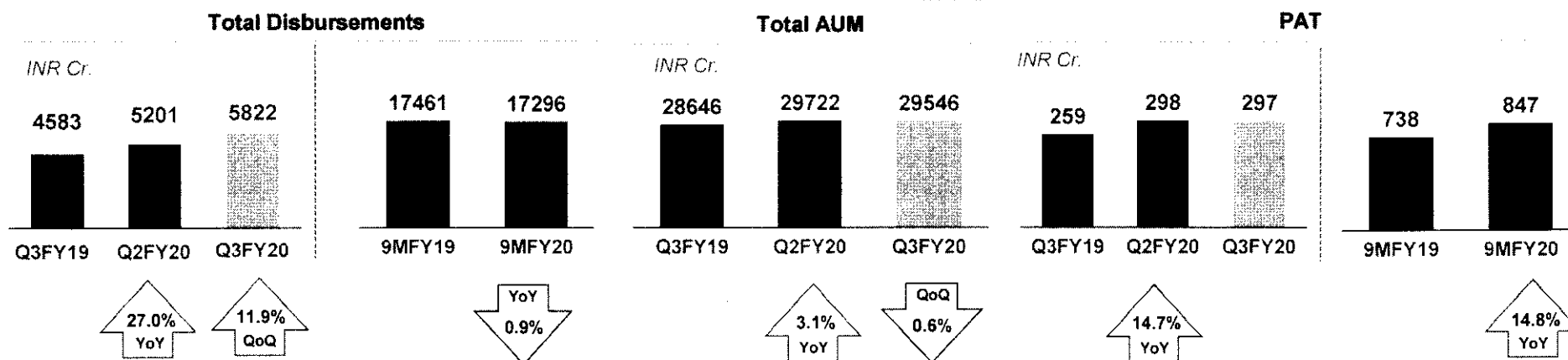


## CREDIT RATING - SHORT TERM



# Performance Highlights for Q3 FY20

## Key Financial Metrics



### Disbursements

Product	Q3FY19	Q2FY20	Q3FY20	9MFY19	9MFY20
Small Enterprise Finance	1774	1596	1506	7457	5379
Two Wheelers	1049	1251	1887	3600	4423
Personal Loans	397	699	185	1615	1660
Auto Loans	55	5	400	427	551
Gold Loans	1308	1650	1844	4362	5283
<b>Total</b>	<b>4583</b>	<b>5201</b>	<b>5822</b>	<b>17461</b>	<b>17296</b>

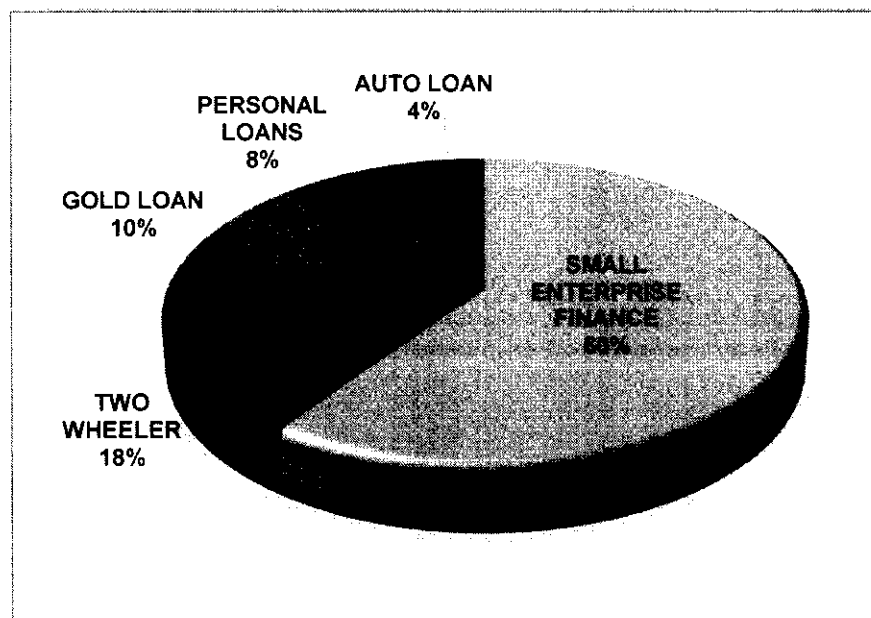
### Assets Under Management

Product	Q3FY19	Q2FY20	Q3FY20
Small Enterprise Finance	17081	17433	16973
Two Wheelers	5242	5521	6184
Personal Loans	2357	2929	2423
Auto Loans	1202	910	1108
Gold Loans	2764	2929	2859
<b>Total</b>	<b>28646</b>	<b>29722</b>	<b>29546</b>

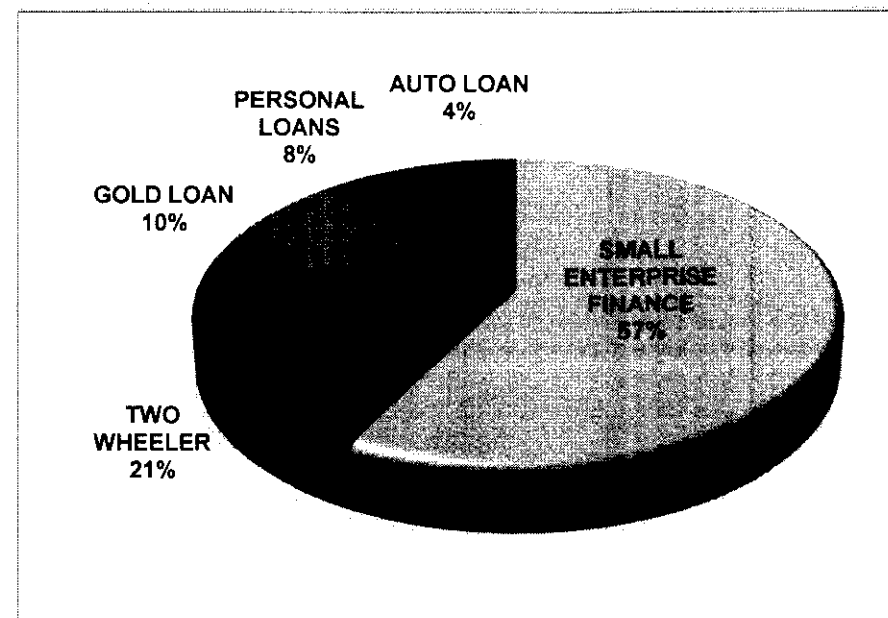
## Performance Highlights – AUM

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**Q3FY19**



**Q3FY20**

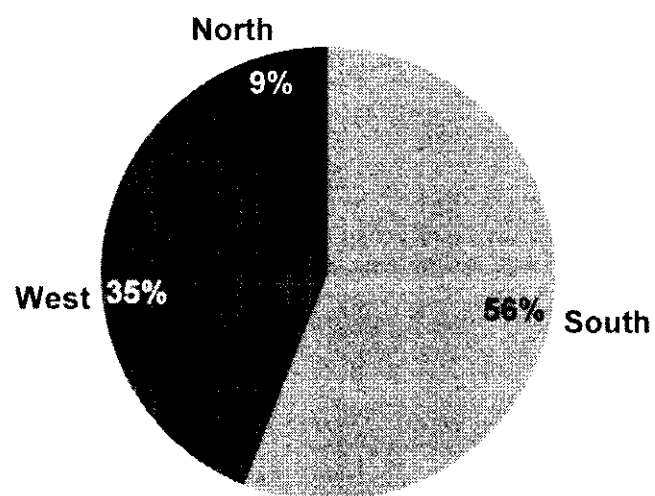


# Performance Highlights for Q3 FY20

## Geographic Breakup of Business

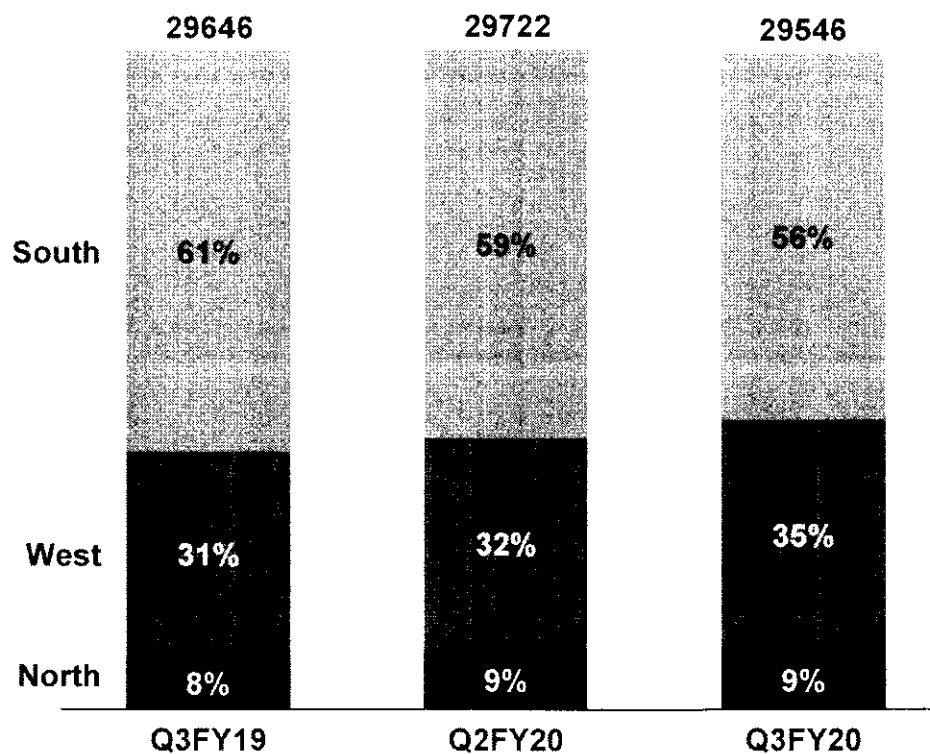
### Branch Network by Geography

947 branches as on 31-Dec-2019



### AUM by Geography

AUM in INR Cr.



## Performance Highlights

### Income Statement under Ind-AS

Particulars (INR in Crores)	Q3FY19	Q2FY20	Q3FY20	Growth	
				YoY	QoQ
<b>Assets Under Management</b>	<b>28646</b>	<b>29722</b>	<b>29546</b>	<b>3.1%</b>	<b>(0.6%)</b>
Disbursements	4583	5201	5822	27.0%	11.9%
<b>Interest Income</b>	<b>1439</b>	<b>1490</b>	<b>1470</b>	<b>2.1%</b>	<b>(1.4 %)</b>
Interest Expenses	527	538	522	(0.9%)	(3.0%)
<b>Net Interest Income</b>	<b>912</b>	<b>952</b>	<b>948</b>	<b>3.9%</b>	<b>(0.4%)</b>
Operating Expenses	365	377	375	2.8%	(0.6%)
<b>Operating Profit</b>	<b>547</b>	<b>574</b>	<b>573</b>	<b>4.6%</b>	<b>(0.3%)</b>
Impairment on Financial Instruments & Write-offs	145	197	182	25.7%	(7.5%)
Profit Before Tax	403	378	390	(3.0%)	3.4%
Tax Expenses	144	80	94	(34.7%)	17.5%
<b>Profit After Tax</b>	<b>259</b>	<b>298</b>	<b>297</b>	<b>14.7%</b>	<b>(0.3%)</b>

## Performance Highlights

### Under Ind-AS – Key Ratios & Other Information

Analysis on Average AUM	Q3FY19	Q2FY20	Q3FY20
<b>Yield on Assets</b>	19.77%	19.85%	19.84%
Interest Expenses	7.24%	7.17%	7.05%
<b>Net Interest Margin</b>	12.53%	12.68%	12.79%
Operating Expenses	5.01%	5.03%	5.06%
<b>Operating Profit</b>	7.52%	7.65%	7.73%
Impairment on Financial Instruments & Write-offs	1.99%	2.62%	2.46%
<b>Net Spread (Pre Tax)</b>	5.53%	5.03%	5.27%
RoA	3.48%	4.07%	4.04%
RoE	17.14%	17.68%	17.12%
Leverage (times)	3.74	3.14	3.12
Cost to Income Ratio	39.99%	39.65%	39.59%
Earnings per Share (Rs- for the Quarter)	39.22	45.08	44.96
Book Value per Share (Rs)	931	1031	1070
CRAR Total (As per IGAAP)	23.02%	24.37%	25.30%
CRAR (Tier I) (As per IGAAP)	22.56%	24.37%	25.30%



## Stage Analysis as per Ind AS

INR Cr.

Provisions Analysis as per Ind AS	Q3FY19	Q2FY20	Q3FY20
Stage 3 - Gross	2568	2517	2461
Stage 3 - ECL Provisions	1169	1094	1073
Stage 3 – Net	1398	1423	1388
<b>Stage 3 - Coverage Ratio (%)</b>	<b>45.54%</b>	<b>43.48%</b>	<b>43.60%</b>
Stage 1 & 2 – Gross	25548	26444	26461
Stage 1 & 2 - ECL Provisions	748	846	854
Stage 1 & 2 – Net	24799	25598	25607
<b>Stage 1 &amp; 2 - ECL Provisions %</b>	<b>2.93%</b>	<b>3.20%</b>	<b>3.23%</b>
<b>Stage 3 % - Gross</b>	<b>9.13%</b>	<b>8.69%</b>	<b>8.51%</b>
<b>Stage 3 % - Net</b>	<b>5.19%</b>	<b>5.10%</b>	<b>4.98%</b>

## Analysis of stage 3 (as per IND AS)

Product	Stage 3 Gross %			Stage 3 Net %			Stage 3 ECL %		
	Q3FY19	Q2FY20	Q3FY20	Q3FY19	Q2FY20	Q3FY20	Q3FY19	Q2FY20	Q3FY20
Small Enterprise Finance	9.67%	9.01%	8.86%	5.42%	5.19%	5.05%	46.82%	44.80%	45.32%
Two Wheelers	9.69%	9.11%	8.89%	5.41%	5.20%	5.05%	46.72%	45.33%	45.42%
Personal Loans	10.90%	10.89%	10.99%	6.35%	6.67%	6.74%	41.89%	41.54%	41.46%
Auto Loans	11.61%	12.13%	9.08%	6.02%	6.26%	4.59%	51.22%	51.61%	51.82%
Loan Against Gold	2.25%	2.80%	3.38%	2.13%	2.67%	3.22%	5.09%	4.89%	4.97%
<b>Total</b>	<b>9.13%</b>	<b>8.69%</b>	<b>8.51%</b>	<b>5.19%</b>	<b>5.10%</b>	<b>4.98%</b>	<b>45.54%</b>	<b>43.48%</b>	<b>43.60%</b>

## Diversified Borrowing Profile & adequate Liquidity Backup

Source	Q2FY20	Q3FY20
<b>Total Borrowings (INR Cr.)</b>	21396	22030
Term Loans (%)	43%	40%
CC & WCDL (%)	10%	9%
Retail Fixed Deposits and SD (%)	18%	19%
Public Issue NCD (%)	4%	4%
Institutional NCD & SD (%)	14%	12%
Securitization (%)	8%	14%
Commercial Papers (%)	3%	2%
<b>TOTAL (%)</b>	<b>100%</b>	<b>100%</b>
<b>Average Cost of Borrowing (%)</b>	<b>9.87%</b>	<b>9.71%</b>

- **Fresh mobilization in Q3FY20: Rs. 3064 Crores (Rs. 2529 Crores From Banks, Rs. 535 Crores From Retail Fixed Deposits).**
- **Of incremental Bank funding of Rs. 2529 Crores In Q3, average door-to-door tenor: 49 months**
- **As on 31<sup>st</sup> December 2019, liquidity backup in the form of undrawn Bank lines and Current Account balances: Rs. 1590 Crores**






## ALM statement as of 31 December 2019

INR Cr.

### ASSUMING 90% COLLECTION EFFICIENCY

Particulars	1 to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 to 5 years	Over 5 years
Net Cash Position (Current Account Balances & Fixed Deposits)	790							
On Book Stock Receivables (with interest)	1816	1562	1570	4560	7395	10155	3217	1953
Scheduled Commitments (with interest)	567	572	2191	2824	6151	10206	1479	13
Mismatch	2039	990	(621)	1736	1243	(50)	1738	1939
<b>Cumulative Mismatch</b>	<b>2039</b>	<b>3029</b>	<b>2408</b>	<b>4144</b>	<b>5387</b>	<b>5337</b>	<b>7075</b>	<b>9014</b>

## Product Summary

57% of AUM	21% of AUM	10% of AUM	8% of AUM	4% of AUM
				
<b>MSME Financing</b>	<b>Two-Wheeler Financing</b>	<b>Gold Loans</b>	<b>Personal Loans</b>	<b>Auto Loans</b>
<ul style="list-style-type: none"> <li>• Launch Year: 2006</li> <li>• Loans to micro, small and medium enterprises.</li> <li>• Strong Presence in Andhra, Telangana, Tamil Nadu &amp; Maharashtra.</li> <li>• Ticket Size: 10 – 15 L</li> <li>• Tenor: 36 – 60 months.</li> <li>• Yield Band: 14 – 22%</li> <li>• LTV: Cash Flow based Lending</li> </ul>	<ul style="list-style-type: none"> <li>• Launch Year: 2002</li> <li>• Among the largest 2W financiers with 20% market share</li> <li>• Focus on non salaried class</li> <li>• Tech – based lending</li> <li>• Ticket Size: 40 – 45 K</li> <li>• Tenor: 24 – 30 months.</li> <li>• Yield Band: 21 – 26%</li> <li>• LTV: C. 75%</li> </ul>	<ul style="list-style-type: none"> <li>• Launch Year: 2007</li> <li>• Focused on 5 leading gold demand states.</li> <li>• Offered through existing regional network.</li> <li>• Ticket Size: 40 – 50 K</li> <li>• Tenor: 4 – 6 months.</li> <li>• Yield Band: 14 – 18%</li> <li>• LTV: C. 75%</li> </ul>	<ul style="list-style-type: none"> <li>• Launch Year: 2002</li> <li>• Cross sell product – Currently offered to 2W customers.</li> <li>• Entirely based on data mining &amp; analytics</li> <li>• Ticket Size: 75K</li> <li>• Tenor: 18 – 36 months.</li> <li>• Yield Band: 22 – 28%</li> <li>• LTV: Cash Flow based Lending</li> </ul>	<ul style="list-style-type: none"> <li>• Launch Year: 2006</li> <li>• Primarily involves Preowned cars, PVs &amp; 3Ws in South &amp; West.</li> <li>• Relationship based lending, offered to existing/past customers.</li> <li>• Ticket Size: 1.25 – 1.5 L</li> <li>• Tenor: 24 – 48 months.</li> <li>• Yield Band: 18 – 24%</li> <li>• LTV: 60 – 80%</li> </ul>

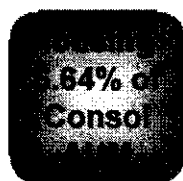
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# SUBSIDIARY DETAILS

■ SUBSIDIARY DETAILS

SHRIRAM HOUSING FINANCE LIMITED

# Shriram Housing Finance Ltd



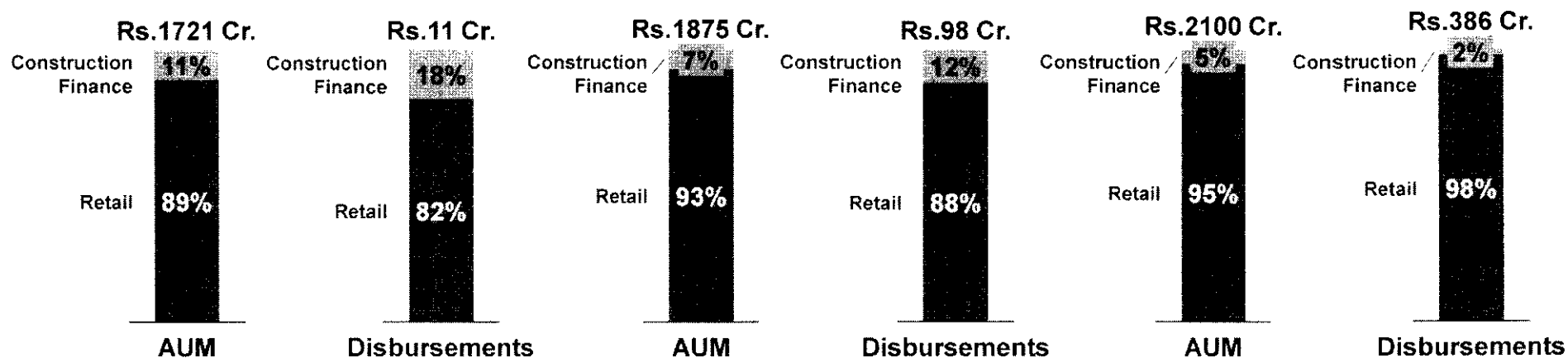
- ✓ Registered as non-deposit accepting HFC with the National Housing Bank
- ✓ Predominantly catering to self-employed borrowers/ informal salaried customers in Tier-II / Tier-III towns
- ✓ Focus on middle-income segment; average ticket size of INR 18.3 lakhs
- ✓ Operates out of 65 branches across 15 states in India with 752 employees, catering to 10600 customers
- ✓ Rated 'AA+' by Care Ratings and 'Ind AA' by India Ratings

## Loan AUM Split

As of Q3FY19

As of Q2FY20

As of Q3FY20



# Shriram Housing Finance Ltd

## Quarterly Financial Highlights

Particulars (INR in Crores)	Q3FY19	Q2FY20	Q3FY20	Growth	
				YoY	QoQ
Assets Under Management	1721	1875	2100	22.0%	12.0%
Disbursements	11	98	386	3329.9%	293.5%
Interest Income	69.41	66.25	62.18	(10.4%)	(6.14%)
Other Income	4.19	6.91	39.80	848.9%	475.7%
Income from Operations	73.61	73.16	101.98	38.6%	39.4%
Interest Expenses	33.23	38.75	41.86	26.0%	8.0%
Net Interest Income	40.38	34.41	60.12	48.9%	74.7%
Operating Expenses	24.96	23.98	29.63	18.7%	23.6%
Impairment on Financial Instruments & Write-offs	3.11	0.38	1.41	(54.5%)	271.2%
Profit Before Tax	(10.01)	10.04	29.08	-	189.6%
<b>Profit After Tax</b>	<b>(6.52)</b>	<b>7.41</b>	<b>20.55</b>	<b>-</b>	<b>177.1%</b>



# Shriram Housing Finance Ltd

## Quarterly Financial Highlights

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Analysis on Average AUM	Q3FY19	Q2FY20	Q3FY20
Yield on Assets	15.97%	15.09%	20.80%
Finance Expenses	8.47%	8.96%	9.61%
Net Interest Margin	7.51%	6.13%	11.19%
Cost to Income Ratio	61.79%	69.71%	49.28%
Gross NPAs	3.22%	3.01%	2.70%
Net NPAs	2.35%	2.37%	2.13%
RoA	(1.27%)	1.32%	3.61%
RoE	(5.63%)	6.17%	16.61%
Leveraging (times)	3.57	3.67	3.52
Capital Adequacy Ratio	32.53%	32.60%	29.44%
Net worth (INR Cr.)	456.35	480.49	501.14

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