

SHRIRAM CITY UNION FINANCE LIMITED

Performance Review for the quarter ended June 2015

28th July 2015

Q1 - FY 2016 Performance Review

(INR in Crores)

Particulars	Quarter Ended				
	Jun-14	Mar-15	Jun-15	QOQ Growth	YOY Growth
Assets Under Management	15028	16717	17483	4.6%	16.3%
Disbursements	3842	4668	4234	-9.3%	10.2%
Income from Operations	846	892	913	2.3%	7.8%
Interest Expenses	346	330	340	3.0%	-1.8%
Net Interest Income	500	562	573	2.0%	14.5%
Personnel Expenses	79	122	115	-5.5%	46.4%
Operating Expenses (incl Depreciation)	124	118	121	2.7%	-2.1%
Other Income	13	9	4	-55.0%	-67.2%
Pre Provisions Profits	310	331	341	2.9%	9.8%
Provisions & Write offs	121	107	117	9.1%	-3.4%
Profit Before Tax	190	224	224	-0.1%	18.2%
Profit After Tax	128	150	147	-1.4%	15.5%

Assets Under Management:

Assets Under management has recorded a growth of 16% on a year on year basis. Non Gold Loan portfolio has increased by 12%. Small Enterprises Finance during the same period has increased by 19%. On a quarterly basis, the growth in overall AUM is up by 5% and non gold portfolio has grown by 9%. Small enterprises finance during the quarter has increased by 5%

Disbursements:

On a YOY basis, disbursements have increased by 10% & non gold disbursements have recorded a 31% increase.

Personnel Expenses & OPEX

Personnel expenses have decreased by 5.5% as compared to previous quarter and overall operating expenses including the personnel expenses has reduced by 1.46% on a QOQ basis

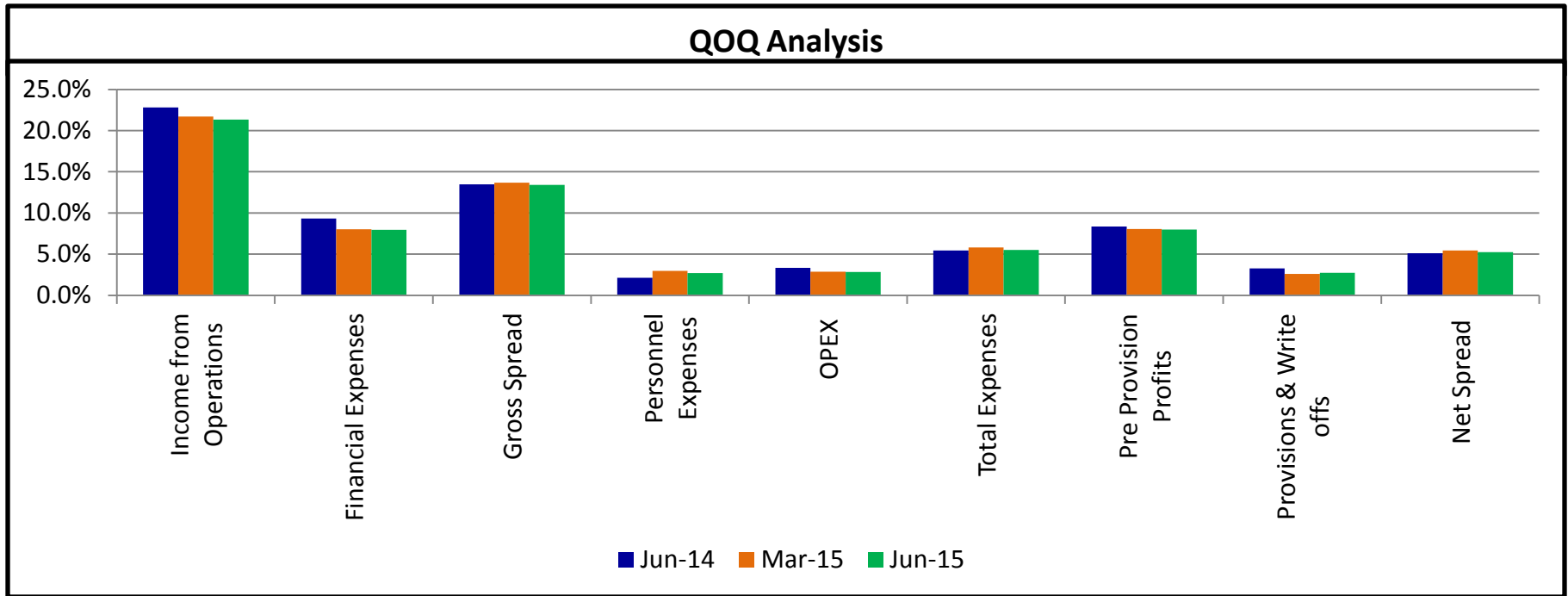
NPA Coverage Ratio

NPA Coverage ratio remains healthy at 79.6% Including write offs coverage ratio is at 82.1%

Performance Highlights

(INR in Crores)

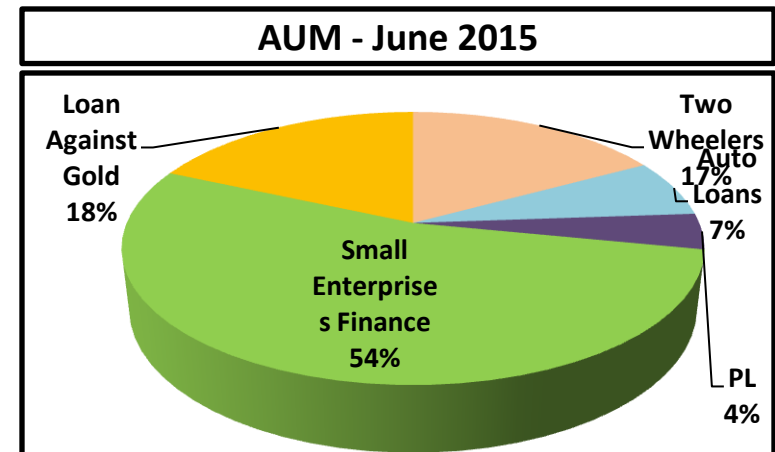
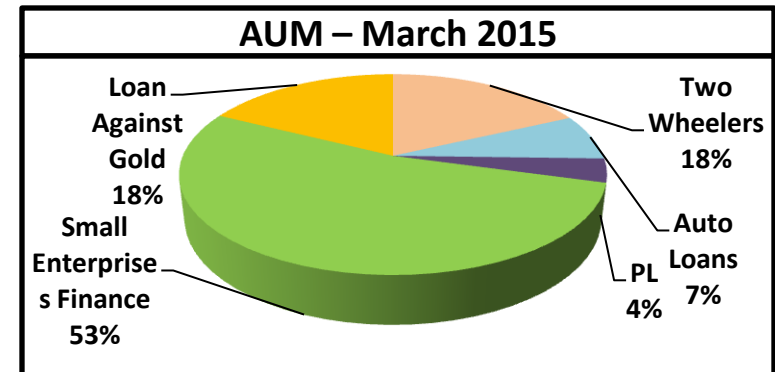
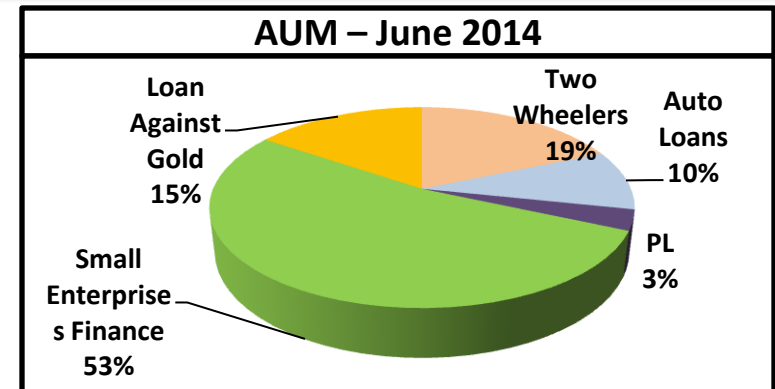
Particulars	Quarter ended		
	Jun-14	Mar-15	Jun-15
Yield on Assets	22.8%	21.7%	21.4%
NIMs	13.5%	13.7%	13.4%
Cost to Income Ratio	39.4%	42.0%	40.9%
Net Spread	5.1%	5.5%	5.2%
Gross NPAs	2.87%	3.12%	3.17%
Net NPAs	0.63%	0.68%	0.65%
Capital Adequacy Ratio	29.2%	29.0%	28.16%
ROE	15.4%	14.8%	14.2%
ROA	3.1%	3.4%	3.2%
Leverage	3.13x	3.03x	2.96x
Book Value (INR)	573	620	643
Earnings Per Share (INR)	20.83	22.70	22.41



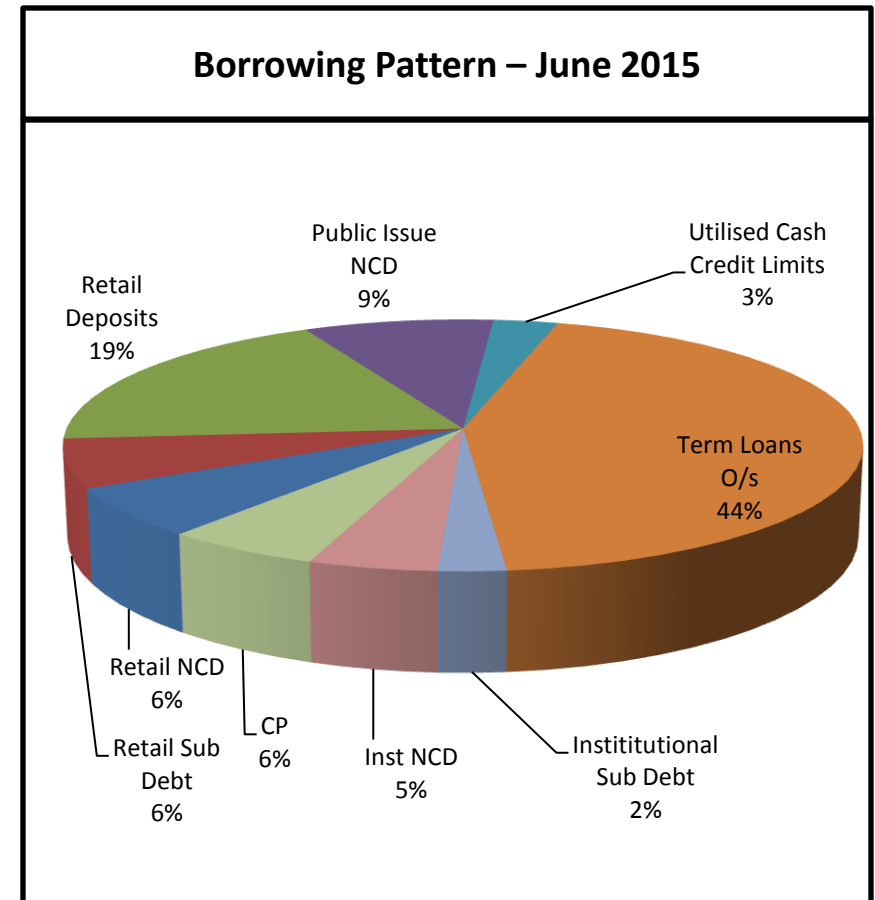
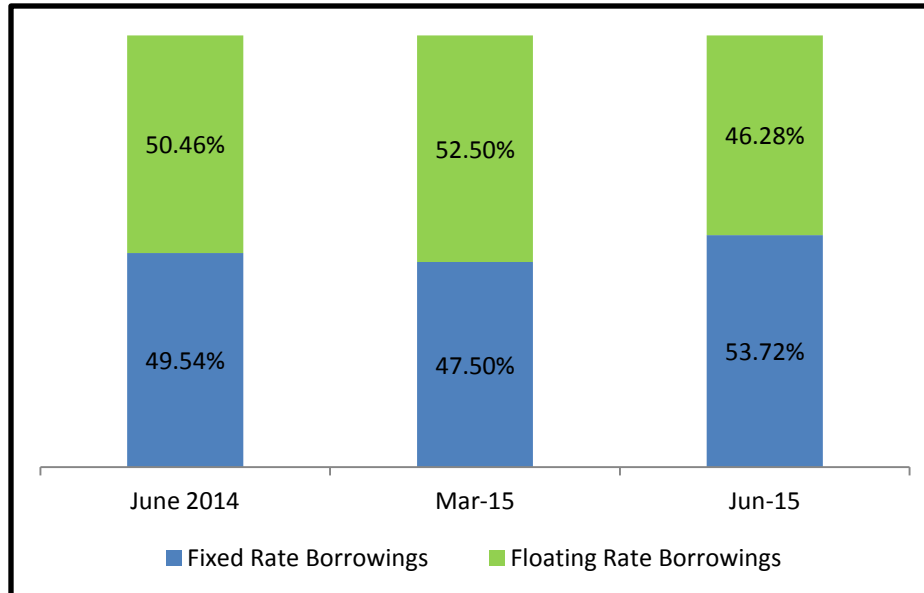
Analysis on Average AUM	Income from Operations	Financial Expenses	Gross Spread	Personnel Expenses	OPEX	Total Expenses	Pre Provision Profits	Provisions & Write offs	Net Spread
Qtr ended June 2014	22.8%	9.3%	13.5%	2.1%	3.3%	5.4%	8.4%	3.3%	5.1%
Qtr ended March 2015	21.7%	8.0%	13.7%	3.0%	2.9%	5.8%	8.1%	2.6%	5.5%
Qtr ended June 2015	21.4%	8.0%	13.4%	2.7%	2.8%	5.5%	8.0%	2.7%	5.2%

Product Segment	Assets Under Management (as at)				
	Jun-14	Mar-15	Jun-15	QOQ Growth	YOY Growth
Small Enterprises Finance	7889	8872	9358	5%	19%
Two Wheeler	2784	3021	2985	-1%	7%
Loan Against Gold	2319	2943	3208	9%	38%
Others	2036	1881	1934	3%	-5%
Total AUM	15028	16717	17483	5%	16%

Particulars	As at		
	Jun-14	Mar-15	Jun-15
GNPA	386	491	532
NNPA	84	107	109
Provisions	302	385	423
Total Assets	13445	15746	16774
GNNPA %	2.87%	3.12%	3.17%
NNPA %	0.63%	0.68%	0.65%
Coverage Ratio	78.22%	78.30%	79.59%



Particulars	June 2014	Mar-15	Jun-15
Bank Borrowings	51%	53%	47%
Market Borrowings	6%	6%	13%
Retail Borrowings	30%	32%	32%
Public Issue(NCD)	13%	9%	9%
WACOB (qtr ended)	11.61%	11.12%	10.90%



Details as at June 2015

Segment	Fixed	Floating	Total
Total Borrowings	6745	5810	12556
Weighted Average Tenor	21.75	19.71	20.80

Subsidiary Performance Review

-Shriram Housing

Q1 FY16 – Financial Highlights



Particulars	Q1 FY16	Q4 FY15	Growth	Q1 FY16	Q1 FY15	Growth
AUM (INR cr.)	884.5	737.2	20.0%	884.5	383.0	130.9%
Disbursements (INR cr.)	185.3	181.4	2.2%	185.3	77.1	140.4%
Revenue from Operations (INR lacs)	3,323.1	2,798.2	18.8%	3,323.1	1,464.0	127.0%
Total Income (INR lacs)	3,328.8	2,922.4	13.9%	3,328.8	1,488.1	123.7%
Profit Before Tax (INR lacs)	850.7	945.5	(10.0%)	850.7	616.2	38.1%
Profit After Tax (INR lacs)	568.9	634.7	(10.4%)	568.9	452.2	25.8%

Particulars	Q1 FY16	Q4 FY15	Variance	Q1 FY16	Q1 FY15	Variance
Portfolio Yield (incl. PF)	16.48%	17.16%	(0.67%)	16.48%	16.70%	(0.21%)
NIMs	11.59%	12.53%	(0.94%)	11.59%	16.23%	(4.64%)
Cost to Income Ratio	54.25%	51.89%	(2.36%)	54.25%	52.33%	(1.92%)
Gross NPAs	2.45%	2.05%	(0.40%)	2.45%	1.76%	(0.69%)
Net NPAs	2.00%	1.68%	(0.32%)	2.00%	1.48%	(0.52%)
ROA	2.68%	3.40%	(0.71%)	2.68%	4.78%	(2.09%)
ROE	6.29%	7.17%	(0.88%)	6.29%	5.24%	1.05%
Leverage	1.28x	1.00x	(0.28x)	1.28x	0.11x	(1.17x)

- New business
 - New retail loans of INR 137.11 cr. vs. 162.93 cr.
 - Construction Finance of INR 48.37 cr. vs. 18.32 cr.
- Processing fee for the quarter lower by INR 40 lacs
- No mutual fund income as we are net borrowers (MF income of INR 58.85 lacs in Q4 FY15)
- Overall opex as a % of AUM down by 3.25 % (vs. 3.83% in Q4)
- Provisioning and write-offs as % of AUM up from 60bps to 110bps
- Salary increments and ex-gratia payments made in Q1 FY16

P&L Comparison



(Amounts in INR lacs)	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q-o-Q Growth	Y-o-Y Growth
Revenue from operations	1,464.0	1,860.7	2,251.8	2,798.2	3,323.1	18.8%	127.0%
Other income	24.2	19.8	11.0	124.2	5.7	(95.4%)	(76.4%)
Total revenue	1,488.1	1,880.5	2,262.8	2,922.4	3,328.8	13.9%	123.7%
Employee benefits expenses	315.3	329.7	375.7	456.3	578.1	26.7%	83.4%
Interest expenses	41.1	201.1	432.4	754.8	987.0	30.8%	2,301.4%
Other expenses	442.0	545.3	542.7	668.5	692.3	3.6%	56.6%
Provisions & write-offs	73.6	77.4	190.4	97.2	220.7	127.0%	199.7%
Total expenses	872.0	1,153.5	1,541.1	1,976.9	2,478.1	25.4%	184.2%
Profit before tax	616.2	727.0	721.7	945.5	850.7	(10.0%)	38.1%
Tax expenses	164.0	277.3	238.6	310.8	281.8	(9.3%)	71.9%
PAT	452.2	449.7	483.1	634.7	568.9	(10.4%)	25.8%
KEY RATIOS							
Yield on assets	16.7%	17.0%	16.7%	17.2%	16.5%		
Cost of borrowings	8.2%	10.0%	7.8%	9.0%	9.5%		
Spread	8.5%	7.1%	8.9%	8.1%	6.9%		
NIM	16.2%	15.2%	13.5%	12.5%	11.6%		
Cost to income	52.3%	52.1%	50.2%	51.9%	54.2%		
ROA	5.2%	5.1%	5.4%	7.2%	6.3%		
ROE	4.8%	3.9%	3.1%	3.4%	2.7%		

Thank You