

# **SHRIRAM CITY UNION FINANCE LIMITED**

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## **Performance Review for the quarter ended September 2015**

**28<sup>th</sup> October 2015**

# **Q2 - FY 2016 Performance Review**

Particulars	QOQ Growth			YOY Growth		
	Jun-15	Sep-15	Growth	Sep-14	Sep-15	Growth
<b>Assets Under Management</b>	<b>17483</b>	<b>18165</b>	<b>3.9%</b>	<b>15557</b>	<b>18165</b>	<b>16.8%</b>
Disbursements	4234	4527	6.9%	4155	4527	8.9%
Income from Operations	913	945	3.6%	848	945	11.5%
Interest Expenses	340	344	1.4%	338	344	1.9%
<b>Net Interest Income</b>	<b>573</b>	<b>601</b>	<b>4.9%</b>	<b>510</b>	<b>601</b>	<b>17.8%</b>
Personnel Expenses	115	124	8.0%	100	124	23.8%
Operating Expenses (incl Depreciation)	121	127	5.1%	115	127	11.0%
<b>Pre Provisions Profits</b>	<b>337</b>	<b>350</b>	<b>3.7%</b>	<b>295</b>	<b>350</b>	<b>18.4%</b>
Provisions & Write offs	117	118	1.0%	109	118	8.3%
<b>Profit Before Tax (before Other Income)</b>	<b>220</b>	<b>232</b>	<b>5.2%</b>	<b>186</b>	<b>232</b>	<b>24.4%</b>
Other Income	4	0	-88.3%	21	0	-97.6%
<b>Profit Before Tax (Reported)</b>	<b>224</b>	<b>232</b>	<b>3.4%</b>	<b>207</b>	<b>232</b>	<b>12.2%</b>
<b>Profit After Tax</b>	<b>148</b>	<b>152</b>	<b>3.1%</b>	<b>138</b>	<b>152</b>	<b>10.5%</b>

(INR in Crores)

### Assets Under Management:

Assets Under management has recorded a Growth of 17% on a year on year basis. Non Gold Loan portfolio has increased by 14%. Small Enterprises Finance during the same period has increased by 20%. On a quarterly basis, the growth in overall AUM is up by 4% and non gold portfolio has grown by 3%. Small enterprises finance during the quarter has increased by 3%

### Disbursements:

Disbursement have increased by 10% on YOY Basis & the non gold disbursements Recorded a 32% growth, with Small enterprises finance growing at 45% during the same period. On a quarterly basis, disbursement grew at 7%

### Personnel Expenses & OPEX

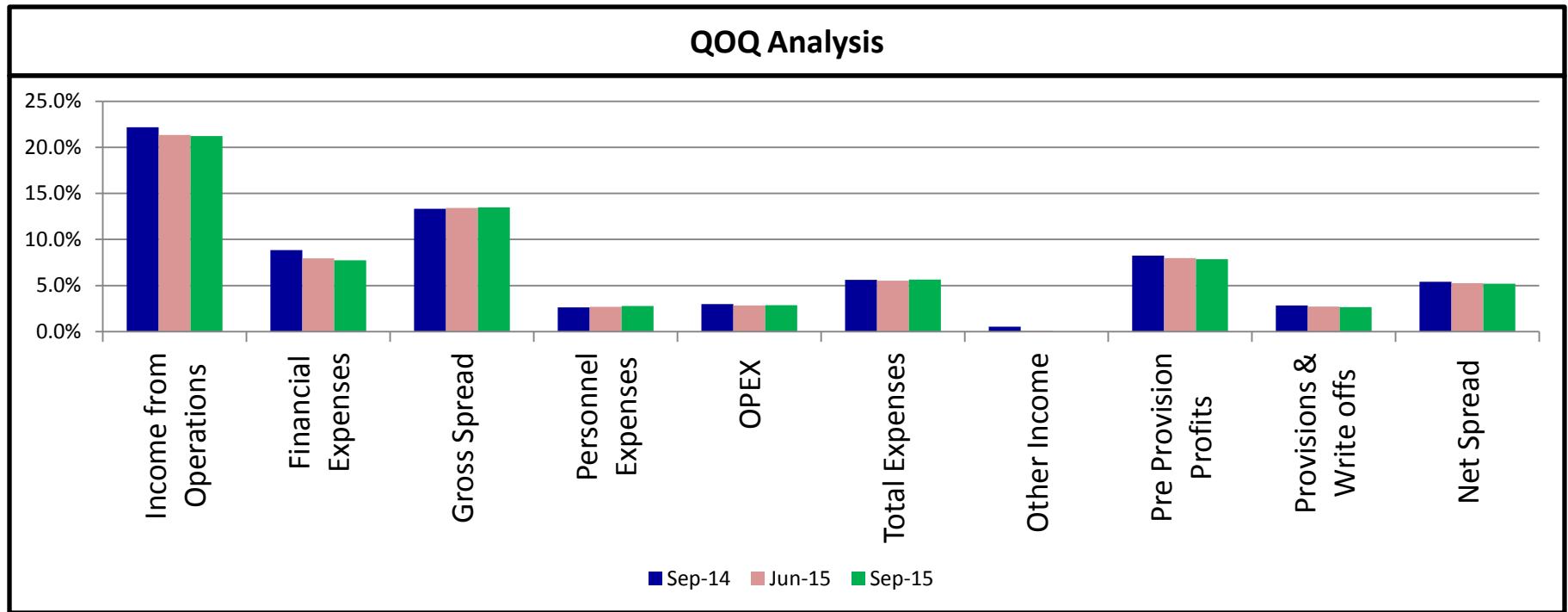
During the quarter, the expenses increased by 7% and cost to income ratio is at 41.81%

### NPA Coverage Ratio

NPA coverage ratio is at 80.2% at 180 days recognition

(INR in Crores)

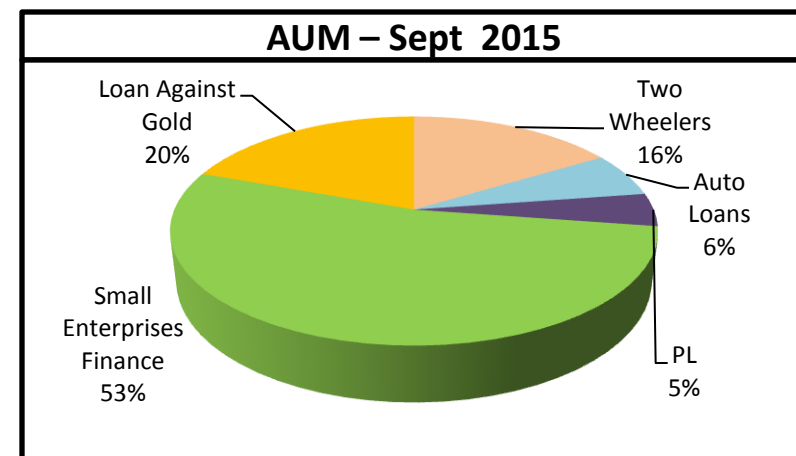
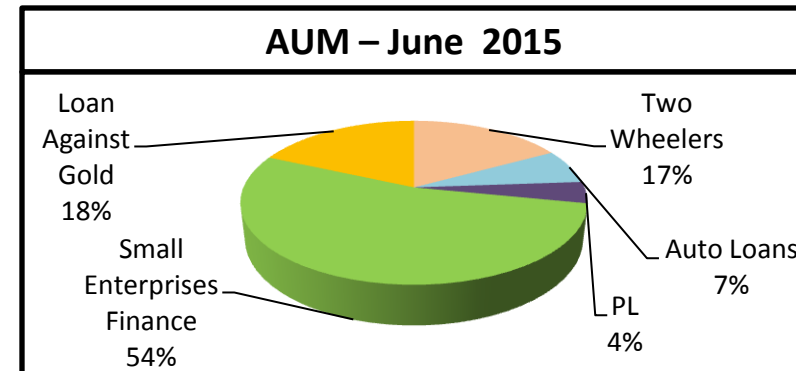
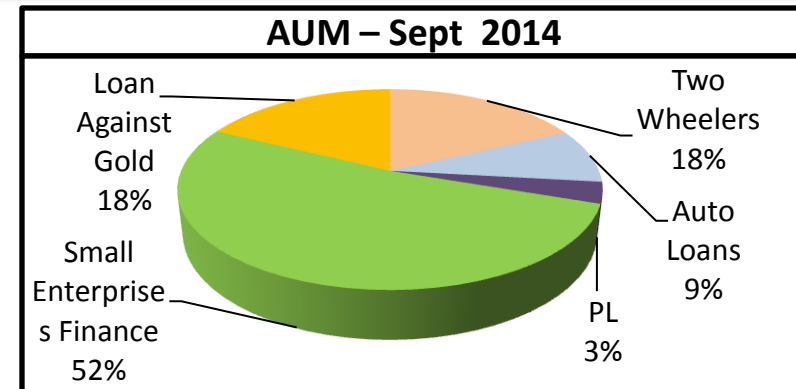
Particulars	Quarter ended		
	Sep-14	Jun-15	Sep-15
Yield on Assets	22.2%	21.4%	21.2%
NIMs	13.3%	13.4%	13.5%
Cost to Income Ratio	40.5%	40.9%	41.8%
Net Spread	5.4%	5.2%	5.2%
Gross NPAs	2.89%	3.2%	3.3%
Net NPAs	0.57%	0.65%	0.7%
Capital Adequacy Ratio	30.4%	28.2%	27.8%
ROE	14.4%	14.2%	14.1%
ROA	3.24%	3.2%	3.2%
Leverage	2.99	2.96	3.02
Book Value	588	643	666
Earnings Per Share	20.91	22.41	23.11



Analysis on Average AUM	Income from Operations	Financial Expenses	Gross Spread	Personnel Expenses	OPEX	Total Expenses	Other Income	Pre Provision Profits	Provisions & Write offs	Net Spread
Qtr ended Sept 2014	22.19%	8.84%	<b>13.34%</b>	2.63%	3.00%	5.62%	0.54%	<b>8.26%</b>	2.85%	<b>5.41%</b>
Qtr ended June 2015	21.35%	7.95%	<b>13.41%</b>	2.69%	2.83%	5.52%	0.10%	<b>7.98%</b>	2.73%	<b>5.25%</b>
Qtr ended Sept 2015	21.22%	7.73%	<b>13.49%</b>	2.79%	2.85%	5.64%	0.01%	<b>7.85%</b>	2.65%	<b>5.21%</b>

Product Segment	Assets Under Management (as at )				
	Sep-14	Jun-15	Sep-15	QOQ Growth	YOY Growth
Small Enterprises Finance	8063	9358	9671	3%	20%
Two Wheeler	2798	2985	2972	0%	6%
Loan Against Gold	2752	3208	3527	10%	28%
Others	1942	1934	1995	3%	3%
<b>Total AUM</b>	<b>15557</b>	<b>17483</b>	<b>18165</b>	<b>4%</b>	<b>17%</b>

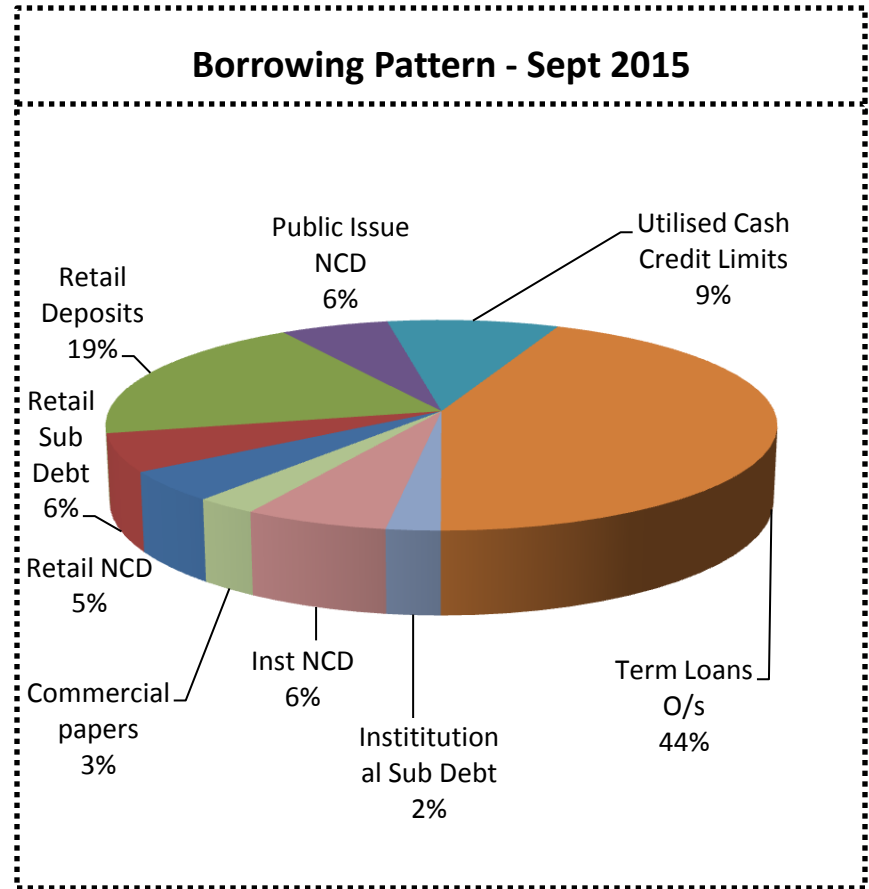
Particulars	As at		
	Sep-14	Jun-15	Sep-15
GNPA	415	532	582
NNPA	83	109	115
Provisions	332	423	467
Total Assets	14384	16774	17649
GNNPA %	2.89%	3.17%	3.30%
NNPA %	0.58%	0.65%	0.65%
Coverage Ratio	80.03%	79.59%	80.24%



Particulars	Sep-14	Jun-15	Sep-15
Bank Borrowings	53%	47%	53%
Market Borrowings	6%	13%	11%
Retail Borrowings	31%	32%	30%
Public Issue(NCD)	9%	9%	6%
<b>WACOB (qtr ended)</b>	<b>11.57%</b>	<b>10.89%</b>	<b>10.67%</b>

Particulars	Sep-14	Jun-15	Sep-15
<b>Total Borrowings (on Books)</b>	<b>11577</b>	<b>12556</b>	<b>13267</b>
Fixed Rate Borrowings	48%	54%	47%
Floating Rate Borrowings	52%	46%	53%

Details as at Sept 2015			
Segment	Fixed	Floating	Total
Total Borrowings	6238	7029	<b>13267</b>
Weighted Average Tenor (in Months)	21.78	22.80	20.86



# **Subsidiary Performance Review**

## **-Shriram Housing**



# Q2 FY16 – Financial Highlights



## Q-o-Q comparison

## Y-o-Y comparison

Particulars	Q2 FY16	Q1 FY16	Growth	Q2 FY16	Q2 FY15	Growth
AUM (INR cr.)	1,001.4	884.5	13.2%	1,001.4	484.6	106.7%
Disbursements (INR cr.)	169.6	185.3	(8.5%)	169.6	119.3	42.1%
Revenue from Operations (INR lacs)	4,016.0	3,323.1	20.9%	4,016.0	1,860.7	115.8%
Total Income (INR lacs)	4,025.4	3,328.8	20.9%	4,025.4	1,880.5	114.1%
Profit Before Tax (INR lacs)	1,205.3	850.7	41.7%	1,205.3	727.0	65.8%
Profit After Tax (INR lacs)	803.9	568.9	41.3%	803.9	449.7	78.7%

Particulars	Q2 FY16	Q1 FY16	Variance	Q2 FY16	Q2 FY15	Variance
Portfolio Yield (incl. PF)	16.94%	16.48%	0.46%	16.94%	17.02%	(0.08%)
NIMs	11.30%	11.59%	(0.29%)	11.30%	15.18%	(3.88%)
Cost to Income Ratio	46.76%	54.25%	7.49%	46.76%	52.10%	5.34%
Gross NPAs	2.35%	2.45%	0.10%	2.35%	1.88%	(0.47%)
Net NPAs	1.78%	2.00%	0.22%	1.78%	1.58%	(0.20%)
ROA	3.25%	2.68%	0.57%	3.25%	3.92%	(0.67%)
ROE	8.63%	6.29%	2.34%	8.63%	5.09%	3.54%
Debt / Equity	1.57x	1.28x	(0.29x)	1.57x	0.34x	(1.17x)

# P&L Comparison



(Amounts in INR lacs)	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q-o-Q Growth	Y-o-Y Growth
Revenue from operations	1,860.7	2,251.8	2,798.2	3,323.1	4,016.0	20.9%	115.8%
Other income	19.8	11.0	124.2	5.7	9.5	66.3%	(52.2%)
<b>Total revenue</b>	<b>1,880.5</b>	<b>2,262.8</b>	<b>2,922.4</b>	<b>3,328.8</b>	<b>4,025.4</b>	<b>20.9%</b>	<b>114.1%</b>
Employee benefits expenses	329.7	375.7	456.3	578.1	635.4	9.9%	92.7%
Interest expenses	201.1	432.4	754.8	987.0	1,336.5	35.4%	564.4%
Other expenses	545.3	542.7	668.5	692.3	622.0	(10.1%)	14.1%
Provisions & write-offs	77.4	190.4	97.2	220.7	226.2	2.5%	192.2%
<b>Total expenses</b>	<b>1,153.5</b>	<b>1,541.1</b>	<b>1,976.9</b>	<b>2,478.1</b>	<b>2,820.1</b>	<b>13.8%</b>	<b>144.5%</b>
Profit before tax	727.0	721.7	945.5	850.7	1,205.3	41.7%	65.8%
Tax expenses	277.3	238.6	310.8	281.8	401.5	42.5%	44.8%
<b>PAT</b>	<b>449.7</b>	<b>483.1</b>	<b>634.7</b>	<b>568.9</b>	<b>803.9</b>	<b>41.3%</b>	<b>78.7%</b>
<b>KEY RATIOS</b>							
Yield on assets	17.0%	16.7%	17.2%	16.5%	16.9%		
Cost of borrowings	10.0%	7.8%	9.0%	9.5%	10.0%		
Spread	7.1%	8.9%	8.1%	6.9%	6.9%		
NIM	15.2%	13.5%	12.5%	11.6%	11.3%		
Cost to income	52.1%	50.2%	51.9%	54.2%	46.8%		
ROE	5.1%	5.4%	7.2%	6.3%	8.6%		
ROA	3.9%	3.1%	3.4%	2.7%	3.2%		

*Thank You*