

SHRIRAM CITY UNION FINANCE LIMITED

**Performance review for the year ended
March 2015**

28th April 2015

FY 2015

Performance review

(INR in Crores)

Particulars	Q3 FY15	Q4 FY15	Growth	FY14	FY15	Growth
Assets Under Management	16177	16717	3.3%	14668	16717	14.0%
Disbursements	4537	4668	2.9%	15448	17202	11.4%
Income from Operations	896	892	-0.4%	3191	3482	9.1%
Interest Expenses	328	330	0.6%	1351	1343	-0.6%
Net Interest Income	567	562	-1.0%	1841	2139	16.2%
Personnel Expenses	111	122	9.9%	271	412	52.0%
Operating Expenses (incl Depreciation)	126	118	-6.5%	453	482	6.4%
Pre Provisions Profits	337	331	-1.8%	1164	1295	11.2%
Profit Before Tax	220	224	1.9%	780	841	7.9%
Profit After Tax	143	150	4.7%	521	558	7.1%

Assets Under Management:

Small Enterprises Finance recorded a YOY growth of 19% , Two wheeler by 16%. Loan against gold recorded a 20% growth. Other segments (CD, Auto & Personal loans together) have de-grown by 12% Small Enterprises Finance continues to contribute over 53% of AUM.

Disbursements:

Disbursements in Two wheeler segment grew by 12% & Small Enterprises Finance by 4% during the year. Gold loan disbursements were up by 40% on YOY basis.

Personnel Expenses & OPEX

Personnel expenses have increased by 10% on a QOQ basis. While the OPEX have dropped by 7%, as a combined figure, increase is 1.18% on QOQ Basis.

NPA Coverage Ratio

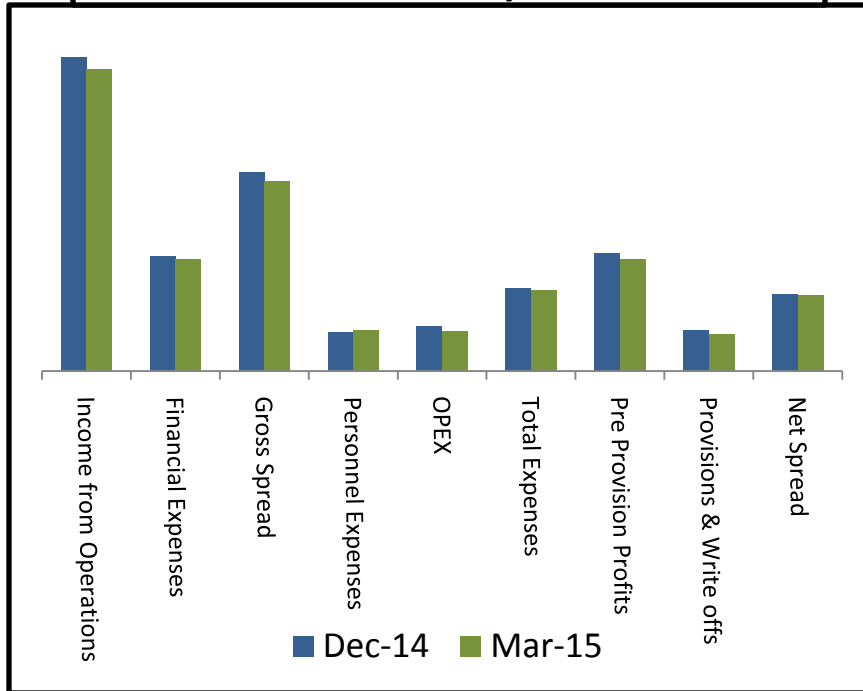
NPA Coverage ratio remains healthy at 78% Including write offs coverage ratio is at 81.5%

Performance Highlights

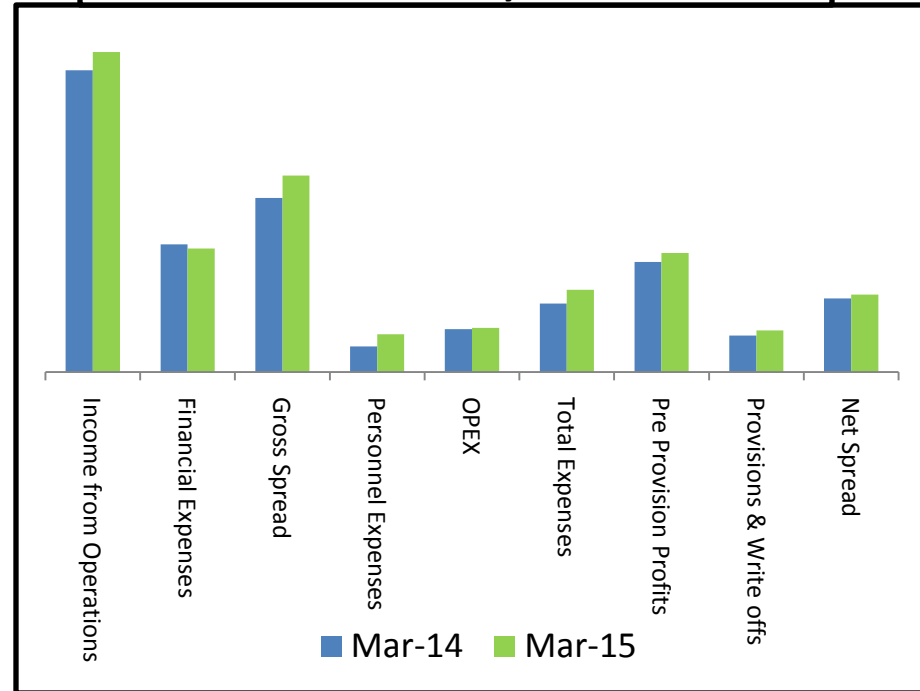
(INR in Crores)

Particulars	Q3 FY15	Q4 FY15	Variance	FY14	FY15	Variance
Yield on Assets	22.6%	21.7%	(-0.9%)	20.9%	22.2%	1.3%
Net Interest Margin	14.3%	13.7%	(-0.6%)	12.1%	13.6%	1.6%
Cost to Income Ratio	41.2%	42.0%	0.7%	38.3%	40.8%	2.5%
Net Spread	5.6%	5.5%	(-0.1%)	5.1%	5.4%	0.2%
Gross NPAs	3.0%	3.1%	0.1%	2.7%	3.1%	0.4%
Net NPAs	0.6%	0.7%	0.0%	0.6%	0.7%	0.1%
Capital Adequacy Ratio	30.4%	29.5%	(-0.8%)	26.1%	29.5%	3.5%
ROE	14.5%	14.6%	0.1%	20.4%	15.8%	(-4.5%)
ROA	3.4%	3.4%	0.0%	3.2%	3.2%	0.1%
Leverage	2.8x	3.0x	0.2x	4.2x	3.0x	(1.2x)
Book Value	610	633	3.8%	485	633	30.5%
Earnings Per Share	21.69	22.70	4.7%	89.76	86.18	(-4.0%)

QOQ Analysis



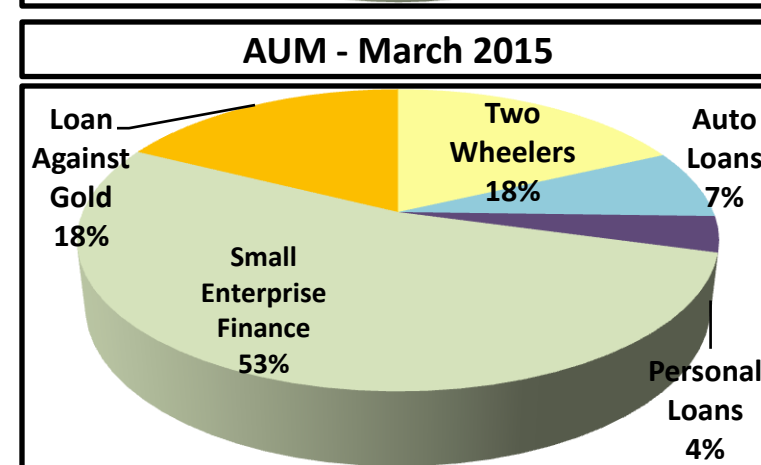
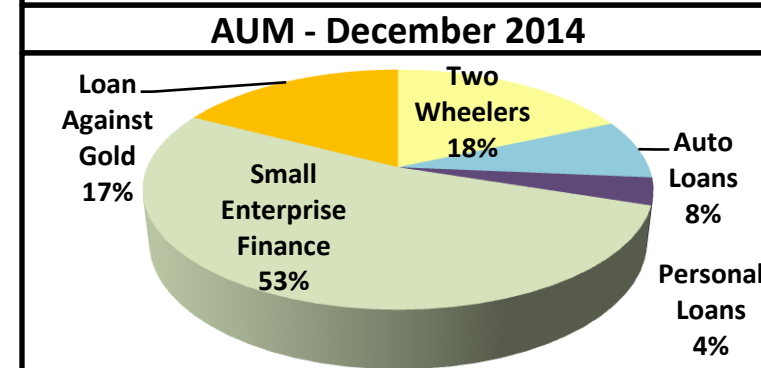
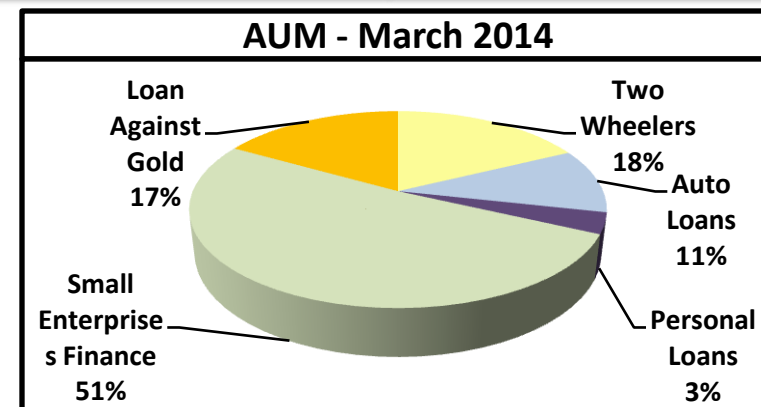
YOY Analysis



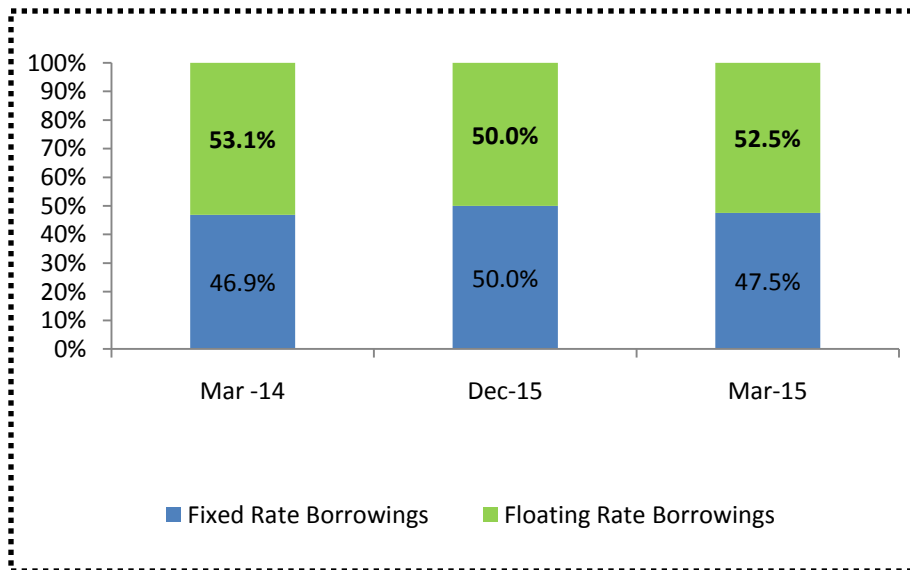
Analysis on Average AUM	Income from Operations	Financial Expenses	Gross Spread	Personnel Expenses	OPEX	Total Expenses	Pre Provision Profits	Provisions & Write offs	Net Spread
Qtr ended Dec 14	22.6%	8.3%	14.3%	2.8%	3.2%	6.0%	8.5%	3.0%	5.6%
Qtr ended Mar 15	21.7%	8.0%	13.7%	3.0%	2.9%	5.8%	8.1%	2.6%	5.5%
Yr ended Mar 14	20.9%	8.9%	12.1%	1.8%	3.0%	4.7%	7.6%	2.5%	5.1%
Yr ended Mar 15	22.2%	8.6%	13.6%	2.6%	3.1%	5.7%	8.3%	2.9%	5.4%

Product Segment	Assets Under Management					
	Q3 FY15	Q4 FY15	Growth	FY14	FY15	Growth
Small Enterprises Finance	8505	8872	4%	7474	8872	19%
Two Wheeler	2967	3021	2%	2594	3021	16%
Loan Against Gold	2791	2943	5%	2453	2943	20%
Others	1914	1881	-2%	2147	1881	-12%
Total AUM	16177	16717	3%	14668	16717	14%

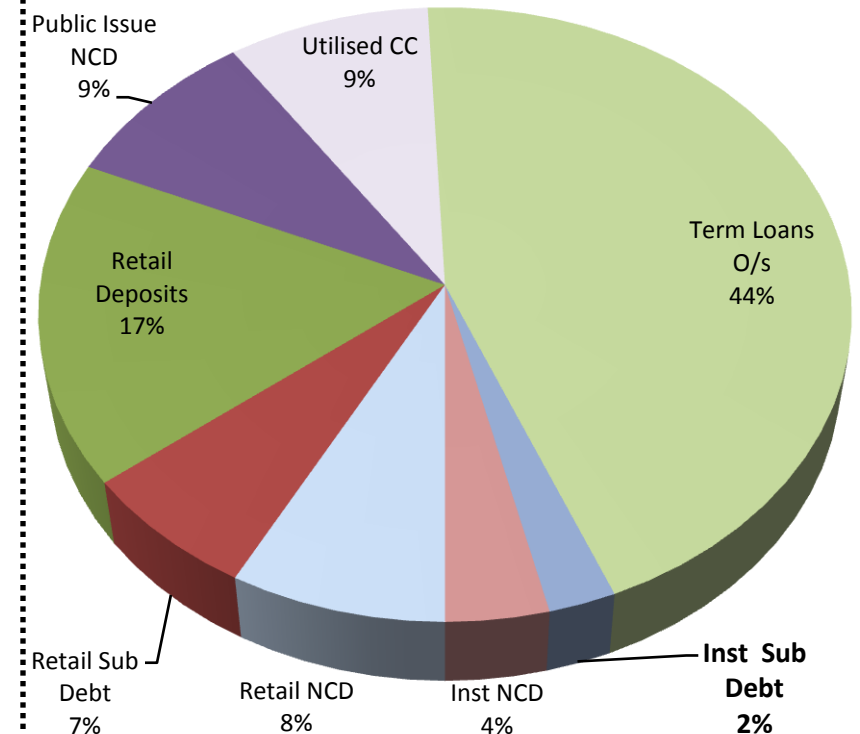
Particulars	As at		
	Mar-14	Dec-14	Mar-15
GNPA	340	461	491
NNPA	76	97	107
Provisions	264	364	385
Total Assets	12730	15251	15746
GNNPA %	2.67%	3.02%	3.12%
NNPA %	0.60%	0.64%	0.68%
Coverage Ratio	77.55%	78.87%	78.30%



Borrowing Segment	Mar-14	Dec-14	Mar-15
Total Borrowings	12049	11363	12402
Bank Borrowings	54%	51%	53%
Market Borrowings	7%	6%	6%
Retail Borrowings	28%	33%	32%
Public Issue(NCD)	11%	10%	9%



Borrowing Pattern – March 2015



Details as at March 2015

Segment	Fixed	Floating	Total
Total Borrowings	47.50%	52.50%	12402
Weighted Average Tenor (in Months)	24.75	17.46	20.92

Subsidiary Performance Review

-Shriram Housing

Q4 FY15 – Financial Highlights



Particulars	Q3 FY15	Q4 FY15	Growth	FY14	FY15	Growth
AUM (INR cr.)	585.7	737.2	25.9%	320.3	737.2	130.1%
Disbursements (INR cr.)	125.2	181.4	44.8%	236.7	503.0	112.5%
Revenue from Operations (INR lacs)	2,232.1	2,777.0	24.4%	3,585.2	8,289.9	131.2%
Other Income (INR lacs)	30.7	145.4	373.6%	587.2	263.9	-55.1%
Total Income (INR lacs)	2,262.8	2,922.4	29.2%	4,172.4	8,553.8	105.0%
Profit Before Tax (INR lacs)	721.7	945.5	31.0%	1,571.4	3,010.4	91.6%
Profit After Tax (INR lacs)	483.1	634.7	31.4%	1,426.9	2,019.7	41.5%

Particulars	Q3 FY15	Q4 FY15	Variance	FY14	FY15	Variance
Portfolio Yield	16.49%	16.97%	0.48%	16.40%	15.62%	(0.78%)
NIMs	13.34%	12.40%	(0.94%)	16.36%	12.97%	(3.39%)
Cost to Income Ratio	50.17%	51.89%	(1.72%)	58.73%	51.59%	7.14%
Gross NPAs	2.43%	2.05%	0.38%	1.26%	2.05%	(0.79%)
Net NPAs	1.99%	1.68%	0.31%	1.08%	1.68%	(0.60%)
ROA (post Tax)	3.12%	3.40%	0.28%	5.74%	3.55%	(2.19%)
ROE (post Tax)	5.39%	7.17%	1.78%	5.87%	5.71%	(0.16%)
Leverage	0.90x	1.00x	(0.10x)	0.00x	1.00x	(1.00x)

- More than doubled the loan disbursements and thereby AUM
- AUM growth at 130% y-o-y
- Total income growth 105% y-o-y
- Capital is fully utilised, borrowings are at Rs. 363 Crores and hence other income reduced by Rs. 3.23 Crores on YOY basis.
- Y-o-y cost to income ratio improved by 7.1%

P&L Comparison



(Amounts in INR lacs)	Q4 FY14	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q-o-Q Growth	Y-o-Y Growth
Revenue from operations	1,235.2	1,441.5	1,839.4	2,232.1	2,777.0	24.4%	124.8%
Other income	103.6	46.6	41.2	30.7	145.4	374.0%	40.4%
Total revenue	1,338.7	1,488.1	1,880.5	2,262.8	2,922.4	29.2%	118.3%
Employee benefits expenses	257.5	315.3	329.7	375.7	456.3	21.5%	77.2%
Interest expenses	–	41.1	201.1	432.4	754.8	74.6%	NA
Other expenses	467.2	442.0	545.3	542.7	668.5	23.2%	43.1%
Provisions & write-offs	42.2	73.6	77.4	190.4	97.2	(48.9%)	130.5%
Total expenses	766.9	872.0	1,153.5	1,541.1	1,976.9	28.3%	157.8%
Profit before tax	571.8	616.2	727.0	721.7	945.5	31.0%	65.4%
Tax expenses	63.3	164.0	277.3	238.6	310.8	30.3%	390.8%
PAT	508.5	452.2	449.7	483.1	634.7	31.4%	24.8%
KEY RATIOS							
Yield on assets	17.3%	16.4%	16.8%	16.5%	17.0%		
Cost of borrowings	0.0%	8.2%	10.0%	7.8%	9.0%		
Spread	17.3%	8.2%	6.9%	8.8%	8.0%		
NIM	17.3%	16.0%	15.0%	13.3%	12.4%		
Cost to income	54.1%	52.3%	52.1%	50.2%	51.9%		
ROA (post Tax)	5.9%	4.8%	3.9%	3.1%	3.4%		
ROE (post Tax)	6.0%	5.2%	5.1%	5.4%	7.2%		

Thank You