



Press Release

## **Shriram City Union Finance' Consolidated Disbursements Doubled to INR 7,056 Cr, AUM Rose to INR 34,680 Cr up 14.4% YoY in Q2FY22**

**Chennai, October 27, 2021:** Shriram City Union Finance Ltd. (Shriram City), India's largest two-wheeler financier (number of 2W financed) and part of the Shriram Group announced the financial results for Q2FY22 today. The consolidated results include Shriram City and Shriram Housing Finance Limited. On a Consolidated basis, disbursements nearly doubled to INR 7,056 Cr, up 97.2% YoY and grew by a strong 47.6% sequentially. Assets Under Management (AUM) of INR 34,680 Cr is higher by 14.4% YoY. Posted consolidated Net Profit of INR 301 Cr, higher by 36.8% QoQ and 9.4% YoY.

**Shriram City' Standalone** disbursements more than doubled to INR 6,423 Cr, up 110% YoY, up 40.8% sequentially. AUM rose by 10.5% YoY to INR 30,425 Cr. Profit After Tax rose by 9.9% YoY to INR 282 Cr in Q2FY22 compared to INR 257 Cr last year. Collection Efficiency stood at 100% in July-August, and improved further to 102% in September. Asset quality continued to show improvement sequentially, with Gross Stage 3 levels at 6.86% (6.91%: Q1FY21 and 6.67%: Q2FY21). Credit cost too improved to 2.70%. Restructured book stood at INR 162 Cr, representing 0.53% of AUM. The company has liquidity back up of INR 4,178 Cr as of end Q2FY22.

SME loans, contributes 47% of the total AUM and witnessed the highest disbursement of INR 1,825 Cr. The company is the largest Two-Wheeler(2W) financier, with 2W loan disbursements for the quarter at INR 1,449 Cr, up 44.9% YoY. Gold loans disbursements stood at INR 1,482 Cr in Q2FY22. Personal Loans and Pre-owned 2W Loans showed a strong rise, with disbursements of INR 959 Cr & INR 405 Cr respectively.

**Shriram Housing Finance Ltd**, a Subsidiary of Shriram City providing affordable home loans had a strong Q2FY22, with AUM growth of 53% YoY to INR 4,255 Cr compared to INR 2,779 Cr in Q2FY21. Disbursals were better than the pre-covid levels, at INR 633 Cr compared to INR 221 Cr in Q1FY22 and INR 517 Cr in Q2FY21. Profit After Tax grew by 73% YoY to INR 18.8 Cr compared to INR 10.9 Cr last year. Asset quality improved with Gross Stage 3 assets at 1.72%, declining 36bps sequentially.

Commenting on the performance **Mr. Y.S. Chakravarti, MD & CEO, Shriram City** said: "We are back to our pre-covid run rates and the festive season cheer along with good monsoon is aiding rural demand. Business sentiment and Consumer sentiment has turned conducive to support the healthy growth. On the digital side, we launched our AI platform which is powering demand for two-wheeler finance. We have partnered with EV manufacturers and have tweaked our credit

mechanism to cater to EVs financing which is seeing strong demand. Shriram Housing Finance had a stellar quarter, with AUM growing 53% in Q2FY22 and we will gain further momentum in 2HFY22 with home affordability staying elevated. Also now with the recent capital provided to Shriram Housing of INR 300 Cr, we are well placed to capture the high growth and underpenetrated small ticket housing loan segment.”

### **About Shriram City Union Finance**

Shriram City Union Finance (Shriram City; BSE: SHRMCITY, NSE: SHRIRAMCIT), a 35-year-old company and part of the Shriram Group, is one of India’s leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 4.31 Million customers and has an Asset Under Management of around INR 346.8 Billion. The Company is a leading Two-wheeler financier, provides loans to SMEs, Gold loans and also has a Housing Finance Subsidiary, Shriram Housing Finance Ltd with an AUM of INR 42.5 Billion. Shriram City has 971 branches and employee strength of 25,300 across India as of 30 Sep 2021. The companies Long term credit rating is at AA by CRISIL, ICRA, India Ratings and CARE. Shriram City has been named one of the Best Place to Work in India in 2021 by AmbitionBox, an Info Edge subsidiary.

### **About Shriram Group**

Shriram Group is India’s leading financial conglomerate with a dominant presence in commercial vehicle (CV) financing, retail financing, chit fund, equipment financing, housing finance, life insurance, general insurance, stockbroking, distribution of financial products, and wealth advisory services. The Group focuses on serving the underserved and is driven by its Financial Inclusion agenda of bringing finance to low-income families and small businesses. Shriram Capital Limited is the holding company for the Financial Services (Shriram City Union Finance Limited & Shriram Transport Finance Limited) and Insurance entities (Shriram General Insurance Company Limited & Shriram Life Insurance Company Limited) of the Shriram Group. Shriram Housing Finance Limited is a subsidiary of Shriram City Union Finance Limited. The lending and insurance companies were created with the primary objective of optimizing the synergies across the Group entities.

Shriram Group together has an overall customer base in excess of 21.5 Million, around 74,500 employees across 3,950 branches. Net profit of INR 49 billion with Assets Under Management (AUM) of over INR 1.75 trillion (FY21).

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