

Press Release

Shriram Housing AUM Grows by 65% YoY to INR 3910 Cr in Q1FY22

Mumbai, July 29, 2021: Shriram Housing Finance Limited (SHFL), a Mumbai based affordable housing finance company, promoted by Shriram City Union Finance (Shriram City) and part of the Shriram Group announced today their financial results for Q1FY22. In Q1FY22, Assets Under Management (AUM) grew by 65% YoY to INR 3910 Cr compared to INR 2,369 Cr in Q1FY21. Disbursements for the quarter remained subdued at INR 221 Cr, impacted by state level lockdowns. PAT grew by 82% YoY to INR 10.9 Cr compared to INR 6 Cr last year.

Asset quality improved marginally with Gross Stage 3 assets declining to 2.32% compared to 2.34% for same period last year. Restructuring has been contained at 1.8% of the book during the second wave of Covid, while in the first wave restructured book was 1.5%.

The company's collection trend has seen improvement with collection efficiency at 102% in Q1FY22. The Expected Credit Losses (ECL) provision as on Jun-21 is INR 52.3 Cr, resulting in total provision to asset ratio at 1.54%. The total provision coverage ratio stands at 66.3%. Liquidity position remains robust with a cash surplus of over INR 600 Cr and undrawn sanctions of INR 350 Cr. Cost of borrowing declined by 70 bps YoY and 36 bps QoQ, and was at 8.59%. SHFL also received growth capital via equity infusion of INR 200 Cr from Shriram City during the quarter. The company has strong capital buffers with comfortable capital adequacy ratio of 28%.

During the quarter Shriram Housing Finance increased its footprint by adding 2 more branches in Maharashtra and Madhya Pradesh respectively, taking its total presence to 15 states with 84 branches.

Commenting on the performance **Mr. Ravi Subramanian, MD & CEO, Shriram Housing Finance** said: "Disbursements in Apr-May were affected by the second wave of Covid, but June has seen some recovery in business. July numbers are indicating a return to normalcy in our industry. Our strategy to focus on high quality originations has enabled us to grow our book while having better control on asset quality. As the fear of covid recedes, we will embark on our growth plans and expand our branch network. We also intend to expand 'Griha Poorti', our cross sell program through the Shriram City branch network, and aim to cover 170+ distribution points of Shriram City by Mar-22. This program will strengthen our AUM growth over the next 4-6 quarters."



Shriram Housing Finance Ltd.

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Regd Office: No. 123, Angappa Naicken Street, Chennai - 600 001.

CIN : U65929TN2010PLC078004

About Shriram Housing Finance Limited

Shriram Housing Finance Limited, a Housing Finance Company registered with the National Housing Bank (NHB) and promoted by Shriram City Union Finance Ltd. The company commenced operations in December 2011. Shriram Housing Finance is amongst the fastest growing, profitable Affordable Housing Finance Company with a network of 84 branches, Assets Under Management (AUM) of close to INR 40 Bn and a networth of INR 7.9 Bn as of June 2021.

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, Shriram Housing Finance Ltd. & Shriram Transport Finance Limited) and Insurance entities (Shriram General Insurance & Shriram Life Insurance) of the Shriram Group, created with the primary objective of optimizing the synergies across the Group's 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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