

Shriram Housing Finance Partners with State Bank of India for Co-lending to Affordable Housing

Mumbai, March 24, 2022: Shriram Housing Finance Ltd, a leading affordable housing finance company today announced the signing of a co-lending agreement with State Bank of India (SBI), India's largest bank, for priority sector affordable home loans. The two entities will jointly service housing loan customers as per the 20:80 co-lending model (CLM) of the Reserve Bank of India (RBI).

Part of the Shriram Group, Shriram Housing Finance is amongst the largest affordable housing financier in India and one of the fastest-growing companies in the segment. The company will target priority sector housing loans in the affordable housing segment under this co-lending arrangement with SBI. Shriram Housing Finance will originate, process and service the loans.

Commenting on the partnership **Ravi Subramanian, MD & CEO of Shriram Housing Finance** said "The demand for housing is immense in the affordable segment and we have barely scratched the surface. We are extremely excited to partner with SBI and together we would be able to serve a much larger customer base, especially borrowers at the bottom of the pyramid. Through the co-lending model, we intend to leverage the balance sheet strength of SBI and our underwriting capabilities."

He added "Shriram Housing Finance specializes in affordable housing finance, specifically in the self-employed segment which we call the 'Emerging Middle Class'. Priority sector lending accounts for around 40% of our loan portfolio. There are key markets where we have a very deep consumer understanding and high underwriting prowess. The partnership with SBI will augment our strengths and provide adequate support as we work towards our objectives of serving the 'Aam Aadmi' and financial inclusion."

Since its inception, SHFL has provided affordable home loans to over 1 lakh customers, including households that belong to the lower end of the income spectrum, especially with informal sources of employment and income. The company also plans to leverage the extensive network and infrastructure of the Shriram Group to grow its presence in the emerging middle-class segment, and reach the last mile customer.

Dinesh Kumar Khara, SBI Chairman said, "We are glad to have joined hands with Shriram Housing Finance under the co-lending program. This collaboration will enhance our distribution network, as we aim to extend our credit reach to more Home Loan borrowers of the unserved and underserved segments. Such partnerships align with our commitment to accelerate effective and affordable credit to small home buyers in India and contribute to the vision of "Housing for All by 2024".



Shriram Housing Finance Ltd.

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

CIN : U65929TN2010PLC078004

About Shriram Housing Finance

Part of the Shriram Group, Mumbai-based Shriram Housing Finance Limited is a housing finance company registered with the National Housing Bank and promoted by Shriram City Union Finance Ltd. The Company commenced operations in December 2011 and is amongst the fastest growing and profitable affordable housing finance companies today. It has a network of 100 branches. It recently crossed the milestone of assets under management of INR 50 bln in February 2022, making it one of the country's top five affordable housing financiers. Shriram Housing Finance is **A Great Place to Work-Certified™** organisation.

About Shriram Group

Shriram Group is a leading financial conglomerate with a dominant presence in commercial vehicle (CV), retail, equipment and housing finance, in addition to chit funds, insurance, stockbroking and distribution, and wealth advisory services. The Group focuses on serving the underserved and is driven by its financial inclusion agenda of providing finance to low-income families and small businesses. Shriram Capital Ltd is the holding company for the financial services (Shriram City Union Finance Ltd & Shriram Transport Finance Ltd) and insurance entities (Shriram General Insurance Co Ltd & Shriram Life Insurance Co Ltd). Shriram Housing Finance is a subsidiary of Shriram City Union Finance. The lending and insurance companies were created to optimize synergies across the Group entities. The Group has a consolidated customer base of over 21.5 million, and around 74,500 employees across 3,950 branches. It posted a net profit of INR 49 billion for FY21 with assets under management of over INR 1.75 trillion as of March 2021.

About State Bank of India

State Bank of India is the largest commercial bank in terms of assets, deposits, branches, customers, and employees. It is also the largest mortgage lender in the country which has so far fulfilled the home buying dreams of 30 lakh Indian families. The home loan portfolio of the bank has crossed the milestone of Rs. 5 lakh crore. As on December 31, 2021, the bank has a deposit base of over Rs. 38 lakh crore with CASA ratio of 45.74% and advances of more than Rs. 28 lakh crore. SBI commands a market share of close to 36% and a little over 28% in home loans and auto loans segment respectively. SBI has the largest network of 22,253 branches and 64,216 ATM / CDM in India with 69,500 BC outlets. The number of customers using internet banking and mobile banking stand at 97 million and 45 million respectively. The integrated digital and lifestyle platform by SBI – YONO, which has more than 45 million registered users, witnessed over 10 million average daily logins in Q3 FY 22. Accelerating the digital agenda, the bank has opened around 29,000 new digital savings bank accounts per day via YONO in the quarter ended December 2021. In terms of digital lending, the bank disbursed pre-approved personal loans worth Rs. 6,283 crore through YONO till Q3 of FY22. SBI also has the highest number of followers on Facebook and Twitter amongst all the banks worldwide.



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