

Ref: D: STEC

April 25, 2019

The Secretary,
BSE Ltd
P J Towers,
Dalal St,
Mumbai 400 001

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra- Kurla Complex Bandra (E)
Mumbai 400 051

Sir,

Ref: Scrip Code: BSE – 532498 and NSE - SHRIRAMCIT

Please find attached the presentation on financial results made by the Company to analysts / institutional investors. This is an intimation under Regulation 30 read with Schedule III (Part A) (15) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For Shriram City Union Finance Limited,


C R Dash
Company Secretary



Encl: a/a.

Shriram City Union Finance Limited

Business Solution Centre, 144, Santhome High Road, Mylapore, Chennai – 600 004. Ph: +91 44 4392 5300, Fax: +91 44 4392 5430
Regd. Office: 123, Angappa Naicken Street, Chennai - 600 001. Ph : +91 44 2534 1431
E-mail : shriramcity@shriramcity.in Website : www.shriramcity.in
Corporate Identification Number (CIN) L65191TN1986PLC012840

SHRIRAM CITY UNION FINANCE LIMITED

Investor Presentation

Quarter & Year ended March 2019

COMPANY BACKGROUND

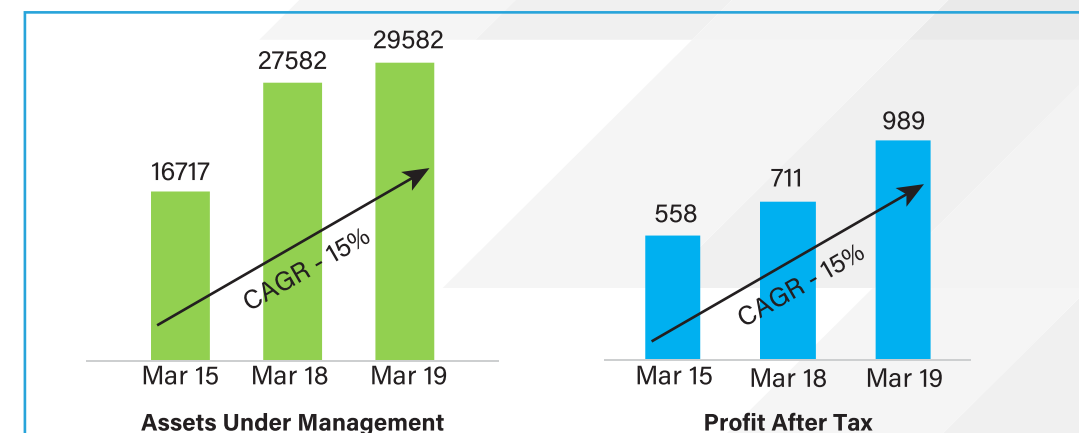
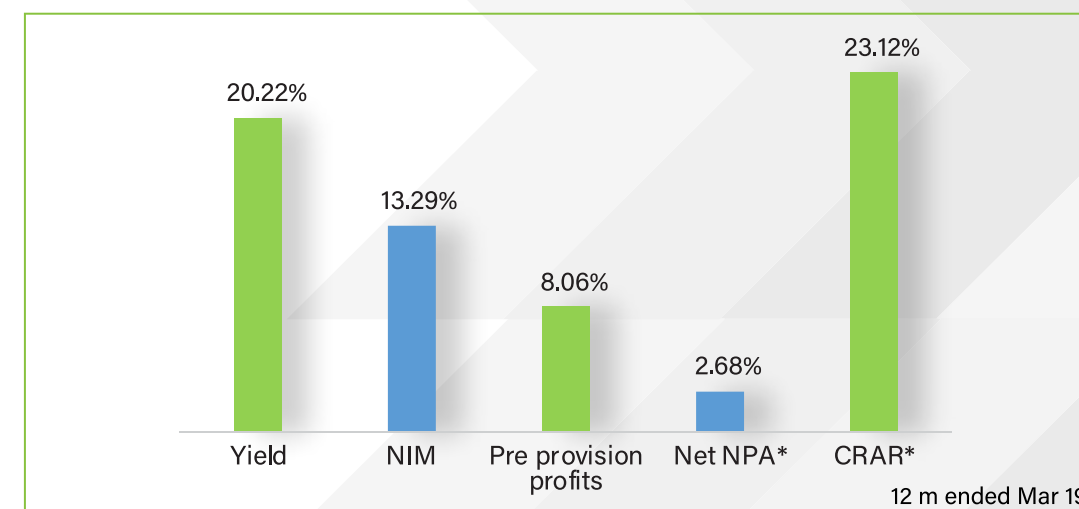
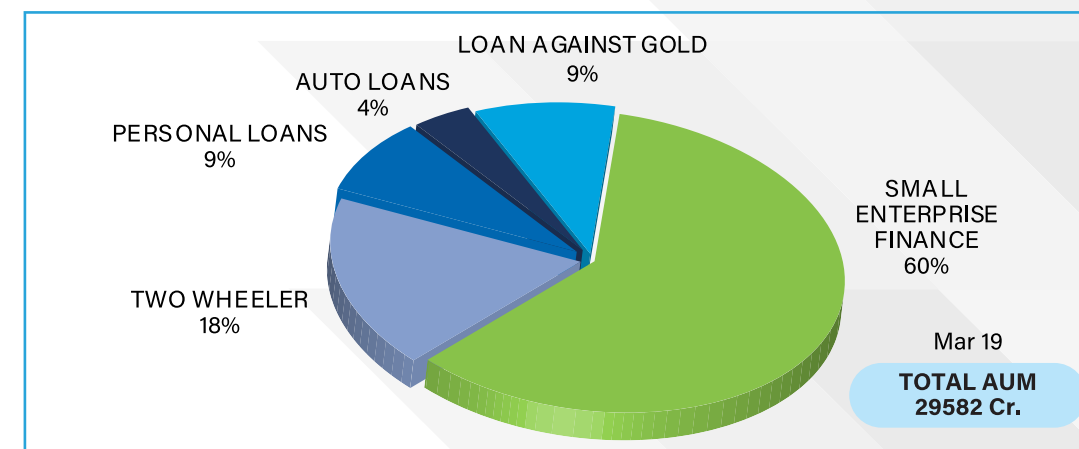
- Market leader - differentiated position in large under-served retail markets
- Strong parentage and an established track record in financial services
- Strong business fundamentals with diversification led growth
- Healthy capitalization and balance sheet with adequate liquidity
- Primarily caters to under-banked customers
- 969 branches with strong presence in the rural and semi-urban markets
- Leading small enterprise finance company in India in the small loan segment
- Leading two-wheeler financier in India
- Active customer base of 38 lakhs; Strong base of 27, 264 employees

CREDIT RATING - LONG TERM



Upgraded by CRISIL
from AA - in Jul '18

CREDIT RATING - SHORT TERM



** as per IGAAP. Mar-15 figures are as per IGAAP

PERFORMANCE HIGHLIGHTS - DISBURSEMENTS

Total Disbursements

Q4 - FY 19
6610 Cr

Q3 - FY 19
4583 Cr

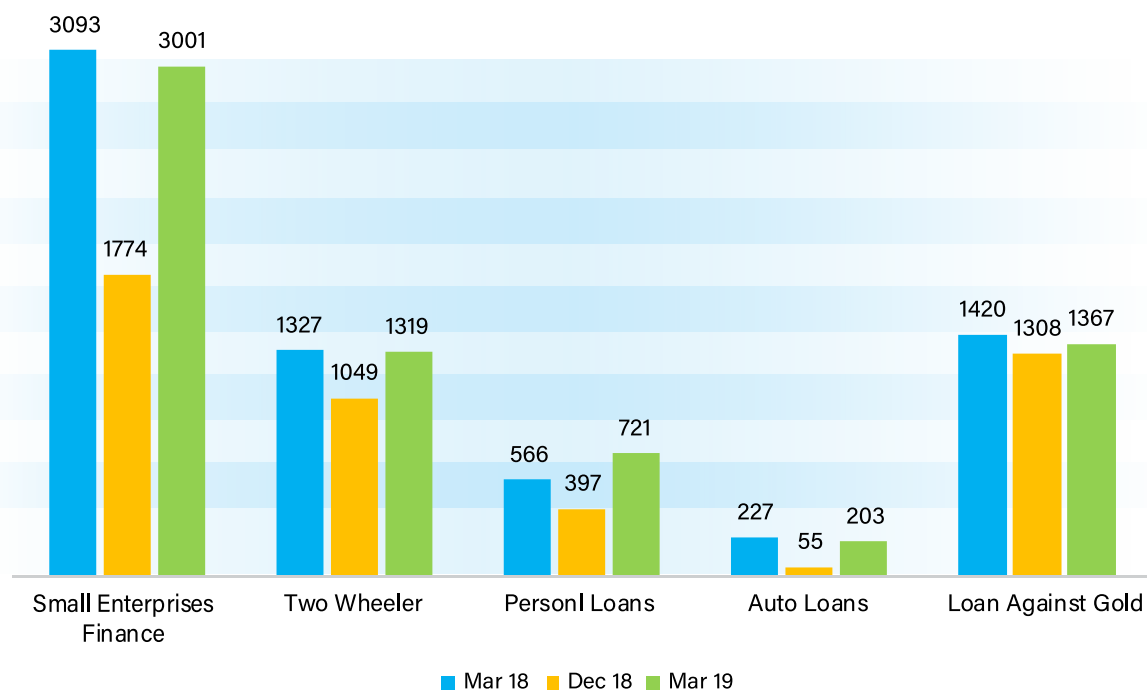
44%

Non Gold Disbursement

Q4 - FY 19
5243 Cr

Q3 - FY 19
3275 Cr

60%



Quarter wise Disbursements

Total Disbursements

FY 19
24071 Cr

FY 18
24922 Cr

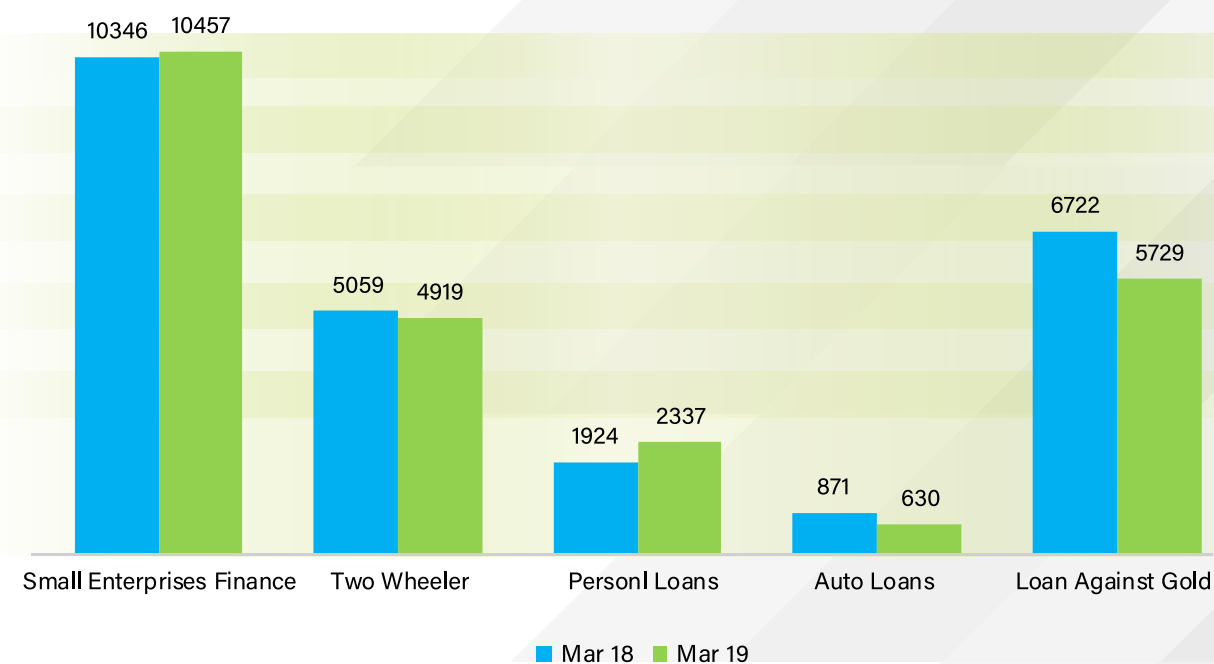
-3%

Non Gold Disbursement

FY 19
18342 Cr

FY 18
18200 Cr

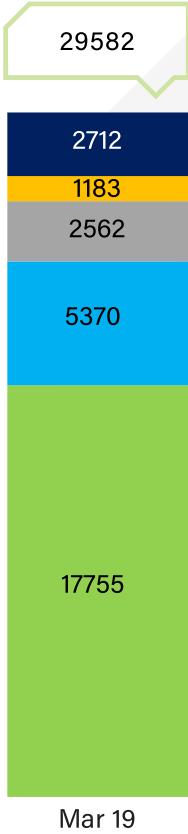
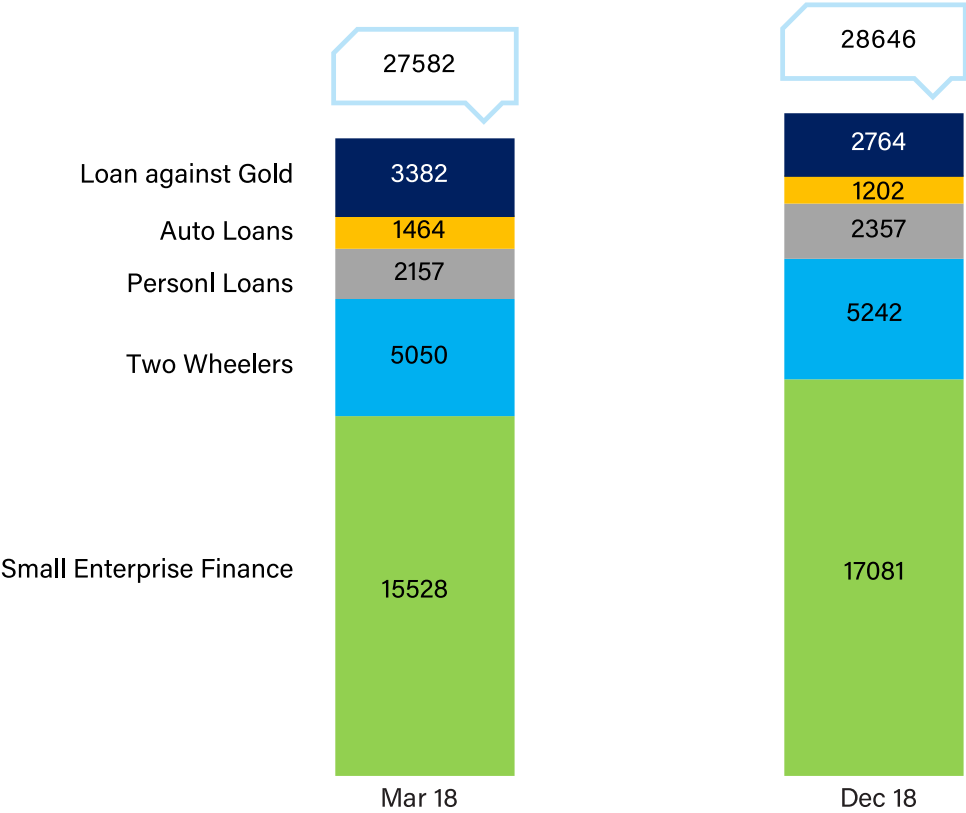
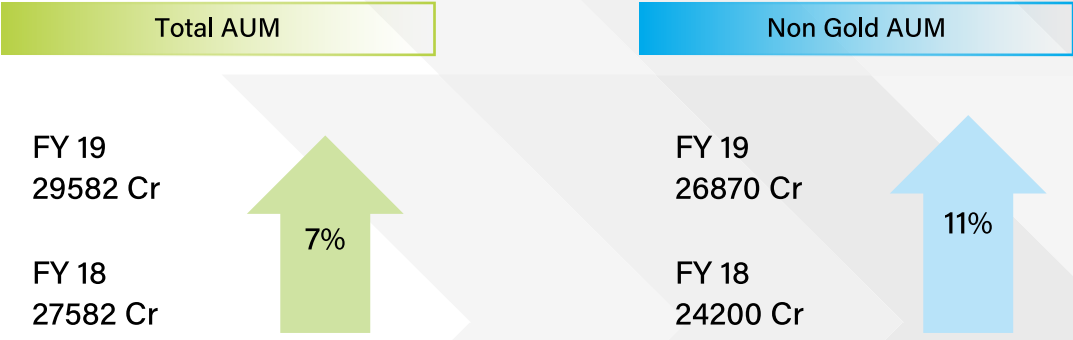
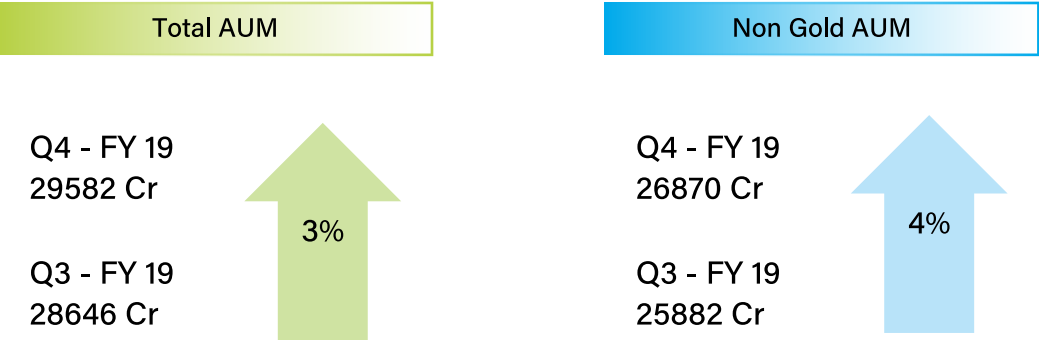
1%



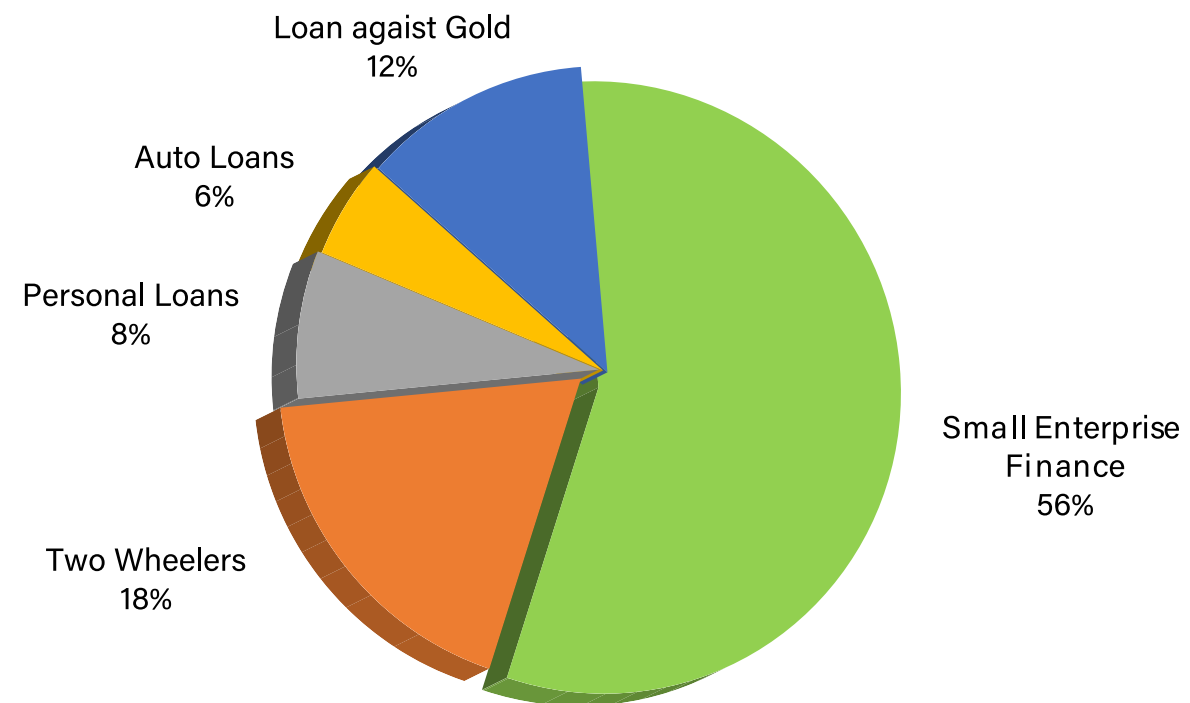
Year wise Disbursement

*Improvement in liquidity conditions have led to normalisation of disbursements in the 4th quarter of FY19

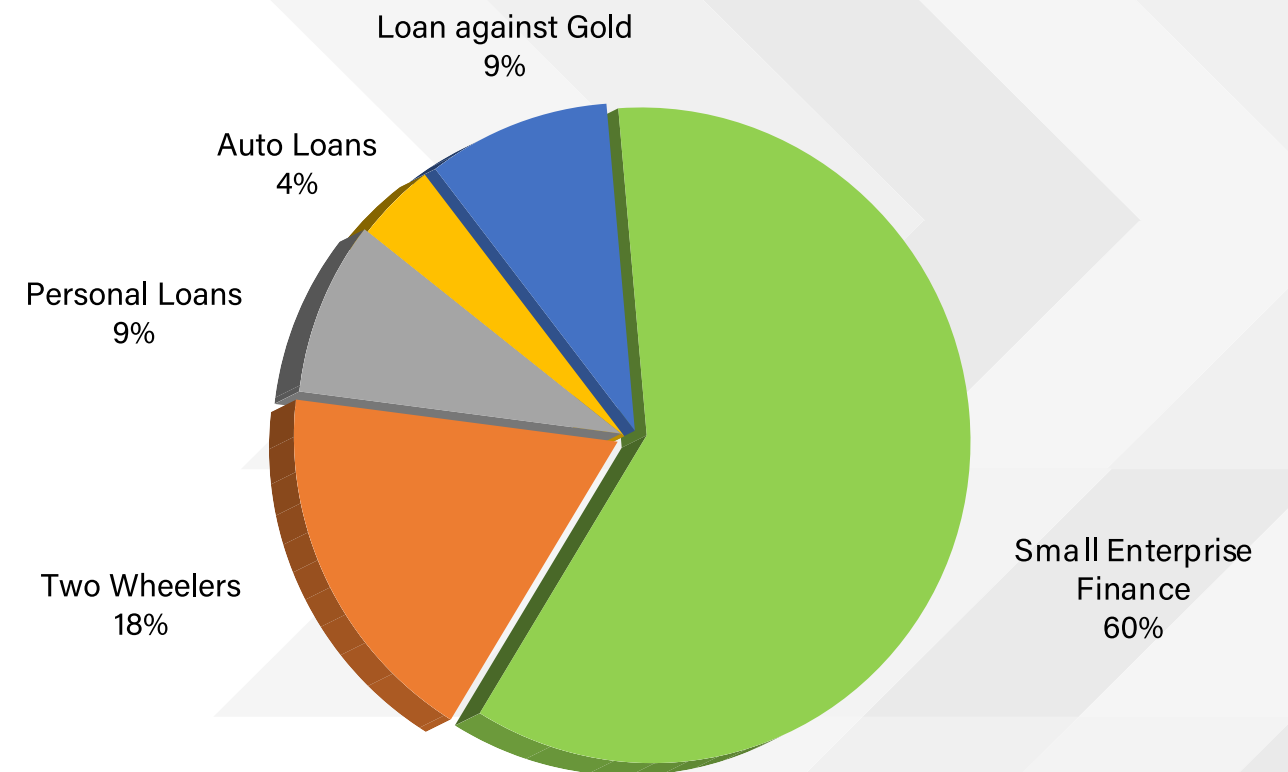
PERFORMANCE HIGHLIGHTS - AUM



PERFORMANCE HIGHLIGHTS - AUM



Mar-18
AUM - 27582 Cr

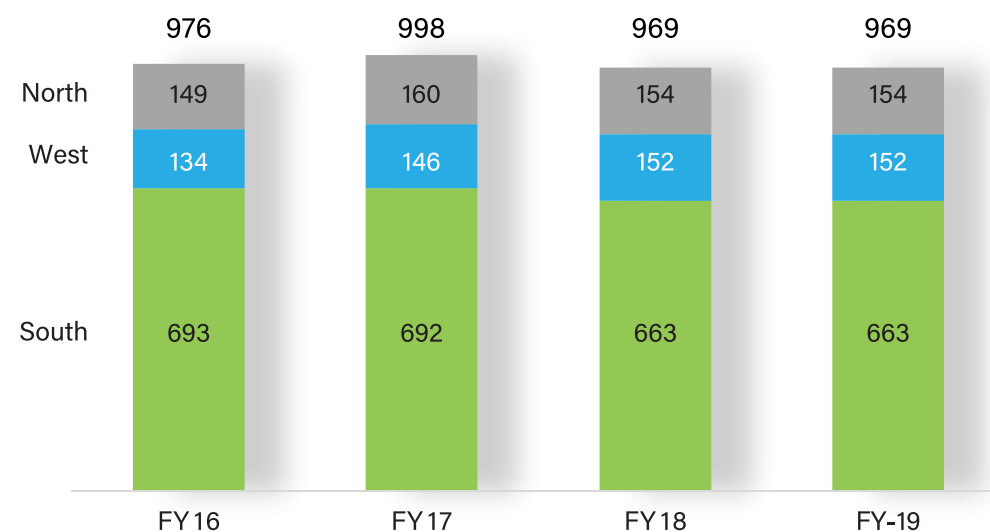


Mar-19
AUM - 29582 Cr

ROBUST GROWTH WITH BUSINESS DIVERSIFICATION

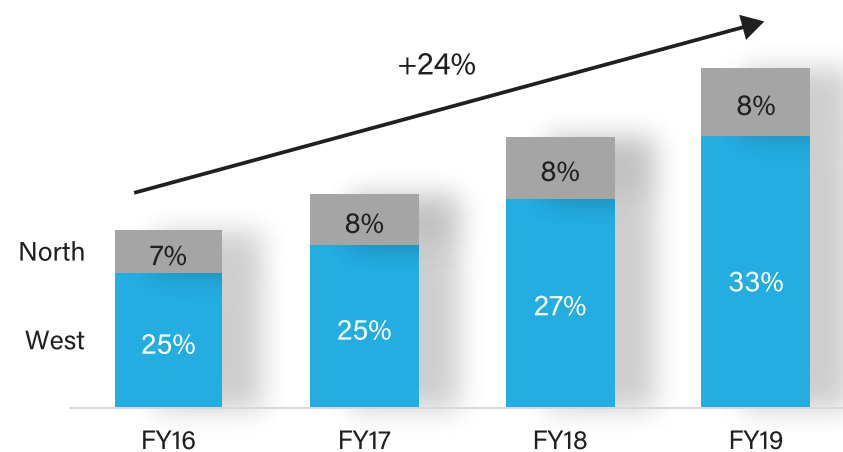
Expanding footprint outside Southern locations

Expanding footprint outside Non - South Region



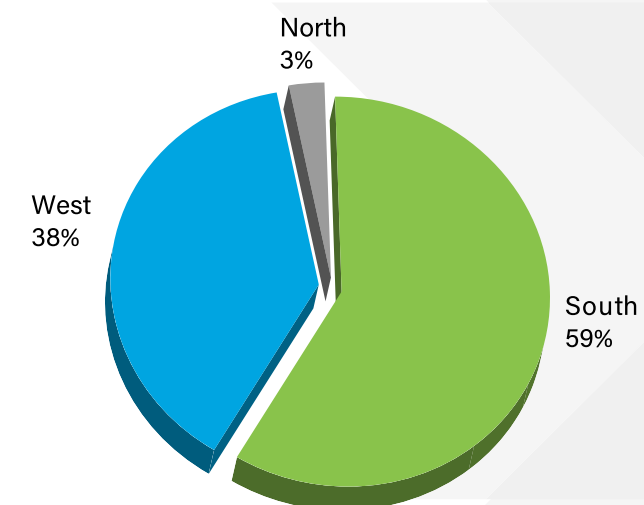
AUM from non-south regions has grown faster

AUM from Non - South regions has grown faster



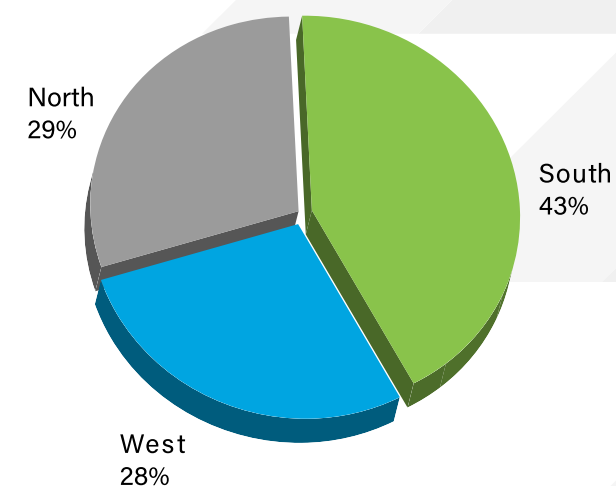
Diversified exposure across each of the focus products

MSME AUM by region



Diversified exposure across each of the focus products

Two-wheeler AUM by region

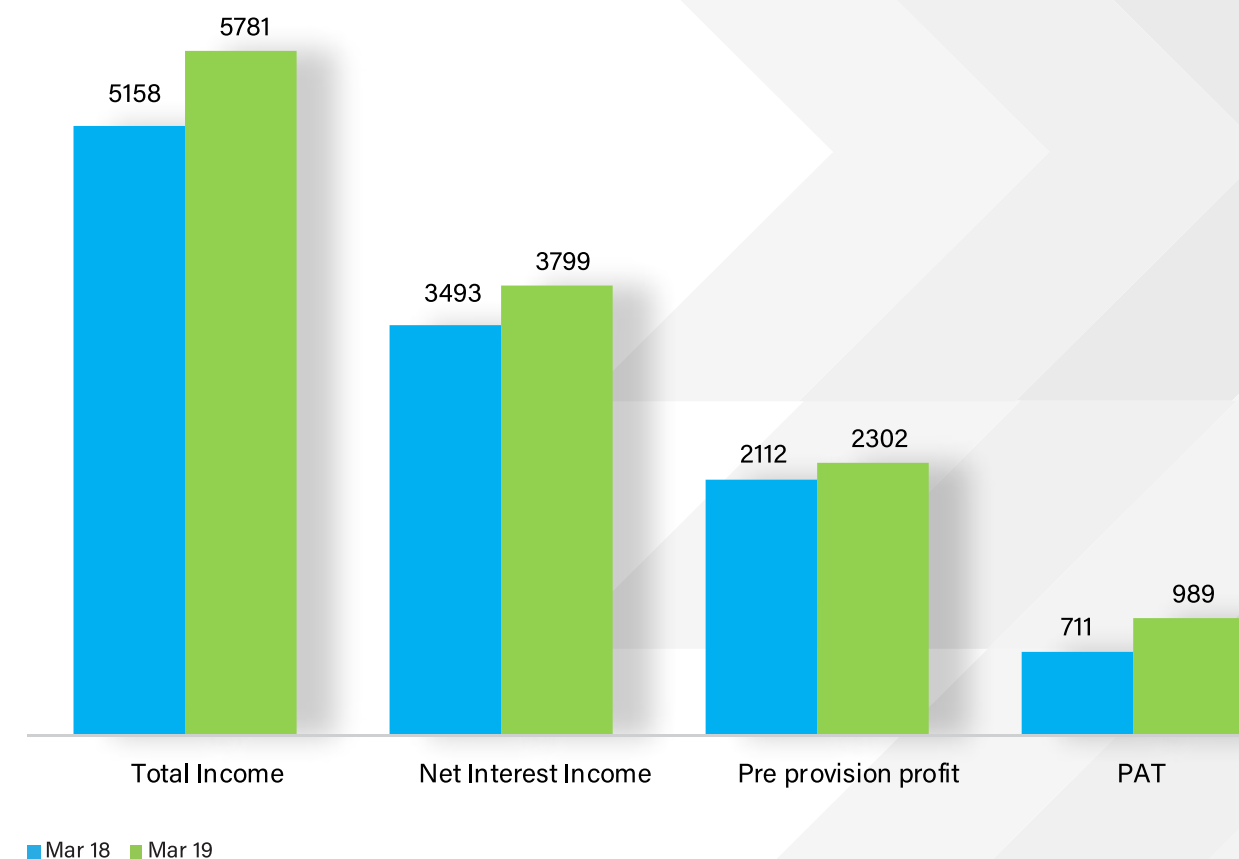


KEY FINANCIAL HIGHLIGHTS

KEY FINANCIALS Q4-FY18 & Q4-FY19



KEY FINANCIALS - YOY



INR in Cr.

KEY FINANCIALS - QUARTER ENDED MAR-2019

Particulars - IND AS	Quarter ended			Growth	
	Mar 18	Dec 18	Mar 19	YOY	QOQ
Assets Under Management	27582	28646	29582	7.3%	3.3%
Income from Operations	1287	1439	1437	11.7%	-0.1%
Finance Cost	428	527	499	16.5%	-5.2%
Net Interest Income	859	912	938	9.2%	2.9%
Personnel expenses	184	207	215	16.6%	3.5%
Operating Expenses (Incl depreciation)	145	157	150	3.1%	-4.7%
Other Income	1	0	1		
Pre Provision Profits	530	547	574	8.3%	4.8%
Provisions for NPA & SA	322	-5	9		
Write offs	171	150	174		
Provisions & write offs	493	145	183		
Profit Before Tax	37	403	391		
Profit After Tax	22	259	251		
Other Comprehensive Income					
Items that will not be classified to profit or loss	1	-9	0		
(ii) Income tax relating to items that will not be reclassified to profit or loss	0	-3	0		
Total Comprehensive Income for the period	23	253	251		

KEY FINANCIALS - YEAR ENDED MAR-2019

Particulars - IND AS	12 months ended		Growth
	Mar 18	Mar 19	YOY
Assets Under Management	27582	29582	7.3%
Income from Operations	5157	5779	12.1%
Finance Cost	1664	1980	19.0%
Net Interest Income	3493	3799	8.8%
Personnel expenses	706	839	18.7%
Operating Expenses (Incl depreciation)	676	661	-2.4%
Other Income	2	3	
Pre Provision Profits	2112	2302	9.0%
Provisions for NPA & SA	393	135	-65.8%
Write offs	630	647	2.8%
Provisions & write offs	1023	782	-23.6%
Profit Before Tax	1088	1520	39.7%
Profit After Tax	711	989	39.1%
Other Comprehensive Income			
Items that will not be classified to profit or loss	3	-14	
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	-5	
Total Comprehensive Income for the period	713	980	

SPREAD ANALYSIS - QUARTER ENDED MAR-2019

Analysis on Average AUM _ IND AS	Quarter ended			Variance	
	Mar 18	Dec 18	Mar 19	YOY	QOQ
Yield on Assets	19.16%	19.76%	19.75%	0.59%	-0.02%
Finance Cost	6.38%	7.24%	6.86%	0.48%	-0.38%
Net Interest Margin	12.78%	12.53%	12.88%	0.11%	0.36%
Personnel Expenses	2.74%	2.85%	2.95%	0.21%	0.10%
Opex	2.16%	2.16%	2.06%	-0.10%	-0.10%
Operating Expenses	4.91%	5.01%	5.01%	0.10%	0.00%
Pre Provision Profits	7.89%	7.52%	7.89%	0.00%	0.37%
Provisions for NPA & SA / ECL	4.79%	-0.07%	0.12%	-4.66%	0.19%
Write offs	2.55%	2.06%	2.39%	-0.15%	0.34%
Provisions & Write offs	7.33%	1.99%	2.51%	-4.82%	0.52%
Net Spread (pre tax)	0.56%	5.53%	5.37%	4.82%	-0.16%
Cost to Income Ratio	38.39%	40.01%	38.89%	0.50%	-1.13%

SPREAD ANALYSIS - YEAR ENDED MAR-2019

Analysis on Average AUM _ IND AS	Year ended		Variance
	Mar 18	Mar 19	YOY
Yield on Assets	20.31%	20.22%	-0.09%
Finance Cost	6.55%	6.93%	0.37%
Net Interest Margin	13.75%	13.29%	-0.46%
Personnel expenses	2.78%	2.93%	0.15%
Opex	2.66%	2.31%	-0.35%
Operating Expenses	5.45%	5.24%	-0.20%
Pre Provision Profits	8.32%	8.06%	-0.26%
Provisions for NPA & SA / ECL	1.55%	0.47%	-1.08%
Write offs	2.48%	2.27%	-0.21%
Provisions & Write offs	4.03%	2.74%	-1.29%
Net Spread (pre tax)	4.29%	5.32%	1.03%
Cost to Income ratio	39.59%	39.46%	-0.13%

*Sequential improvement in collection efficiency have led to improvement in credit costs.

OTHER KEY METRICS

Key Ratios - IND AS	Quarter Ended				Year Ended	
	Mar 18	Dec 18	Mar 19		Mar 18	Mar 19
Return on Average Total Assets	0.33%	3.51%	3.44%		2.81%	3.49%
Return on Average Net Worth	1.59%	17.15%	16.04%		13.51%	16.56%
Earnings per share (Rs.)	3.33	39.22	38.08		107.80	149.88
Book Value per share (Rs.)	794	877	969		794	969
Leverage	3.85	3.66	3.53		3.85	3.53
Capital Adequacy Ratio (CRAR)*	21.37%	23.02%	23.12%		21.37%	23.12%
Tier I CRAR	20.57%	22.56%	22.75%		20.57%	22.75%

** CRAR is based on IGAAP

ASSET QUALITY DETAILS - IND AS

Provisions analysis as per IND AS	As at		
	Mar 18	Dec 18	Mar 19
Stage 3 - Gross	2594	2568	2577
Stage 3 - ECL Provns.	1223	1169	1124
Stage 3 - Net	1370	1398	1453
Stage 3 - Coverage Ratio (%)	47.17%	45.54%	43.61%
Stage 1 & 2 - Gross	24985	25548	26339
Stage 1 & 2 - ECL Provns.	568	748	803
Stage 1 & 2 - Net	24417	24799	25536
Stage 1 & 2 - ECL Provns. %	2.27%	2.93%	3.05%
Total ECL Provns.	1792	1918	1926
Stage 3% - Gross	9.41%	9.13%	8.91%
Stage 3% - Net	4.97%	4.97%	5.02%

ASSET QUALITY DETAILS - IGAAP

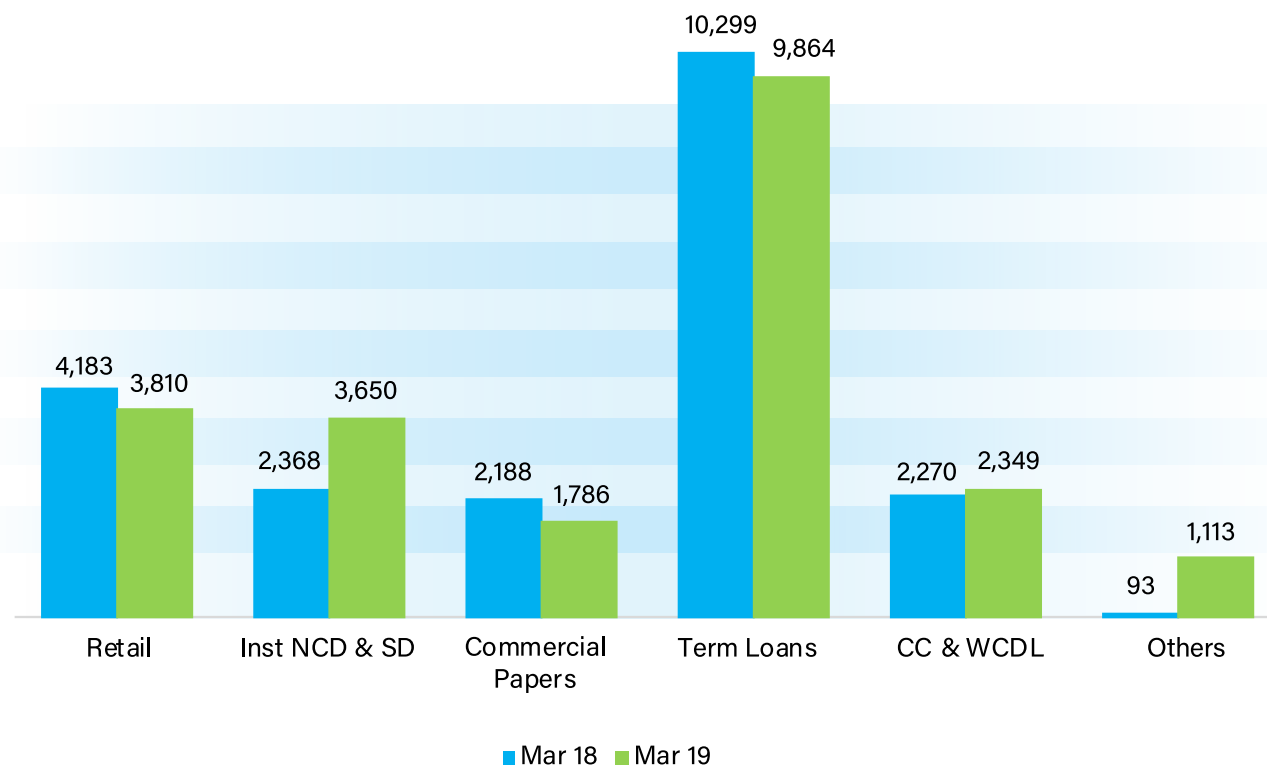
As per IGAAP	As at		
	Mar 18	Dec 18	Mar 19
Gross NPA	2464	2397	2395
Net NPA	938	742	740
NPA Provns.	1526	1655	1655
Gross NPA %	9.00%	8.73%	8.68%
Net NPA %	3.43%	2.70%	2.68%
Provision Coverage Ratio	61.93%	69.06%	69.10%
Standard Assets	24901	25067	25204
Standard Assets Provn.	100	100	101
Standard Assets Provns. Ratio	0.40%	0.40%	0.40%
Total Provns.	1625	1755	1756

ASSET QUALITY DETAILS - IGAAP - PRODUCT SEGMENT WISE

Product	Mar 18 (90 DPD)			Dec 18 (90 DPD)			Mar 19 (90 DPD)		
	GNPA	NNPA	PCR	GNPA	NNPA	PCR	GNPA	NNPA	PCR
Small Enterprise Finance	9.68%	3.80%	61%	9.30%	3.19%	66%	9.17%	3.03%	67%
Two Wheelers	10.03%	4.92%	51%	9.36%	3.22%	66%	9.28%	3.38%	64%
Auto Loans	10.85%	4.95%	54%	11.00%	3.78%	66%	11.07%	5.47%	51%
Personal Loans	10.62%	-	100%	10.12%	-	100%	10.22%	-	100%
Loan Against Gold	2.55%	1.03%	60%	2.07%	0.71%	66%	2.17%	0.68%	69%
Total	9.00%	3.43%	61.93%	8.73%	2.70%	69.06%	8.68%	2.68%	69.10%

DIVERSIFIED BORROWING PROFILE

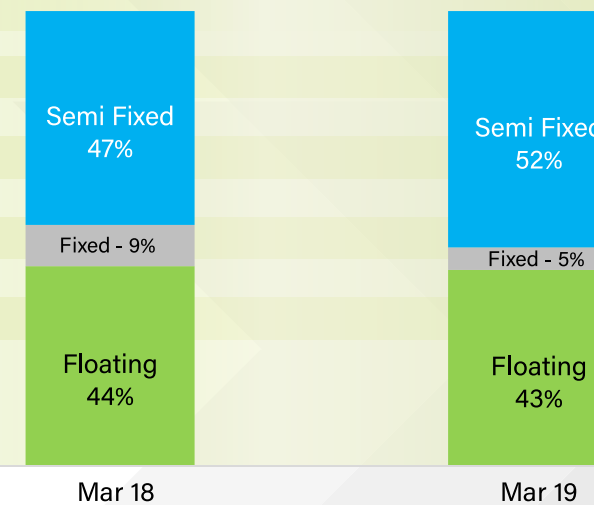
BORROWING TYPE



COST OF BORROWING

Particulars	Mar 18	Mar 19
Cost of Borrowing	8.44%	9.01%

INTEREST RATE MIX



LENDER SEGMENT MIX



LIQUIDITY BACKUP

- As at 31st March 2019, liquidity back in form of current account balances, mutual fund investment and fixed deposits were to an extent of Rs. 1038 Crores. (FD of Rs. 400 Cr, Current Account Balance of Rs. 436 Cr & Rs. 202 Cr of Mutual Fund investments)
- As at 31st March 2019, Committed lines & undrawn lines of Rs. 1686 Cr Including Rs. 150 Cr of Term loan facility & others being in form of Cash credit / WCDL facilities.
- Successfully raised Rs. 695 Cr (pending allotment) in Apr. 2019 by way of public issue of NCD for a weighted tenor of c. 2.7 years.

ALM STATEMENT - MAR 2019

ALM position @ 100% collection efficiency

Particulars	1 to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liquidity Backups (Current Account & Fixed deposits)	1038								1038
Inflows from Assets (Assets)	1449	1139	1159	3763	6216	8682	1970	1565	25944
Outflows towards Scheduled Commitments (Borrowings)	319	465	923	1893	6970	9070	1359		21000
Mismatch	2167	674	235	1870	-753	-388	611	1565	5981
Cumulative Mismatch	2167	2841	3077	4947	4193	3805	4416	5981	

Stress Test @ 90% collection efficiency

Particulars	1 to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over one year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liquidity Backups (Current Account & Fixed deposits)	1038								1038
Inflows from Assets (Assets)	1304	1025	1043	3387	5595	7814	1773	1409	23349
Outflows towards Scheduled Commitments (Borrowings)	319	465	923	1893	6970	9070	1359		21000
Mismatch	2023	560	119	1494	-1375	-1257	414	1409	3387
Cumulative Mismatch	2023	2583	2702	4196	2821	1564	1978	3387	

SUBSIDIARY DETAILS

SHRIRAM HOUSING FINANCE LIMITED

EXECUTIVE SUMMARY

	Q3'19	HIGHLIGHTS	Q4'19
BUSINESS	AUM: 1,721 Cr. Disbursement: 11 Cr. GNPA (IND AS): 3.2% GNPA (IGAAP): 2.8%	• Highest retail disbursement for > 8 quarters • Collection & liquidity remained focus area	AUM: 1,848 Cr. Disbursement: 265 Cr. GNPA (IND AS): 2.8% GNPA (IGAAP): 2.5%
FINANCIALS	Revenue: 71.1 Cr. Interest Income: 69.4 Cr. Expenses: 24.6 Cr. PAT: (6.5) Cr. (IGAAP: 0.7 CR.)	• Interest income lower due to accounting changes • Expenses higher on account of certain one-time expenses • Release in provisions due to collections on NPA	Revenue: 66.8 Cr. Interest Income: 62.8 Cr. Expenses: 28.0 Cr. PAT: 9.4 Cr. (IGAAP: 4.8 CR.)
OPERATIONS	Branches: 88 States: 17 Head count: 833 Customers: 10,602	• Reduction on unproductive employees completed • Sales productivity has increased	Branches: 88 States: 17 Head count: 686 Customers: 10,671

QUARTERLY FINANCIAL HIGHLIGHTS

Remained profitable despite headwinds in the industry

P&L	Q4 FY 19	INDAS	
		Q3 FY 19	QoQ
Interest Income	66.8	71.1	
Other Operating Income	4.5	2.4	
Other Income	0.0	0.0	
Total Income	71.3	73.6	-3%
Interest Expense	33.3	32.8	
Net Interest Income	38.1	40.8	-7%
Costs	28.4	25.4	12%
- Personnel Costs	15.0	13.7	
- Other costs	13.4	11.7	
Profit before provision & tax	9.6	15.4	-37%
Provisions	-3.1	4.4	
Profit before tax - Operational	12.7	1.0	1162%
One time provision on account of ARC (See note 1)		11.0	
Profit before tax - Reported	12.7	-10.0	

Note 1

Effect of one time sale of certain assets to an ARC

YEARLY FINANCIAL HIGHLIGHTS

Remained profitable despite headwinds in the industry

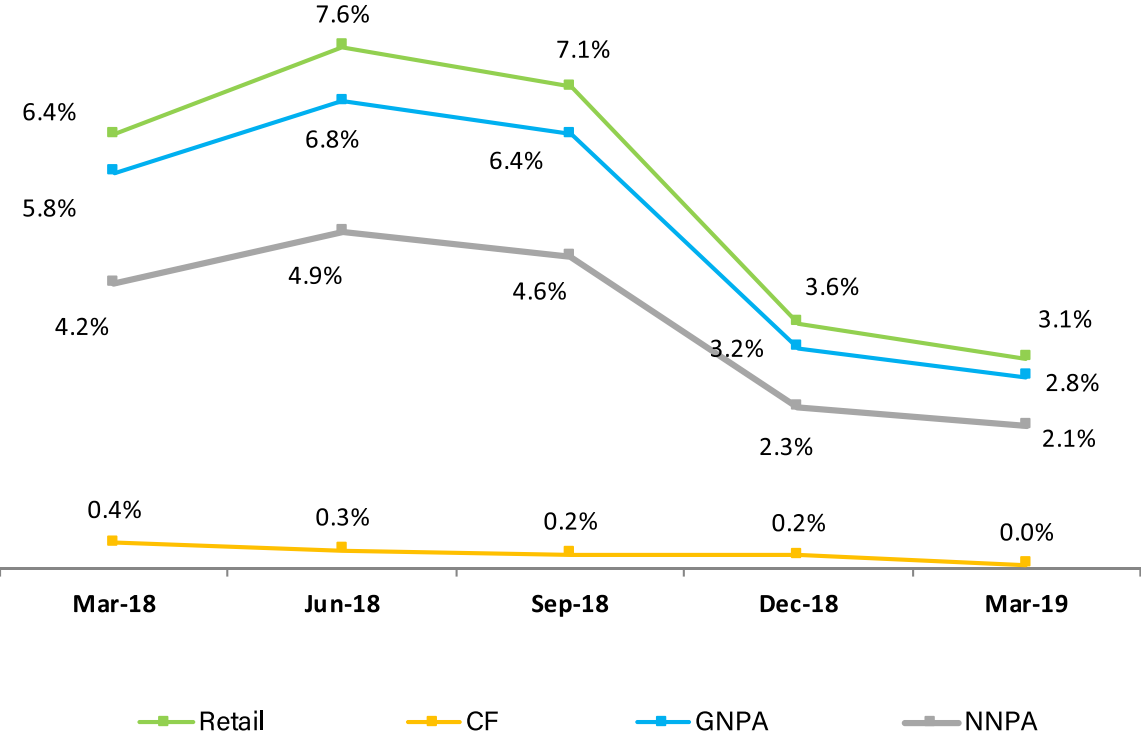
		INDAS	
P&L	Mar 19	Mar 18	YoY
Interest Income	278.5	270.0	
Other Operating Income	12.4	10.1	
Other Income	0.3	0.5	
Total Income	291.2	280.7	4%
Interest Expense	128.5	112.0	
Net Interest Income	162.7	168.7	-4%
Costs	111.8	98.9	13%
- Personnel Costs	59.2	42.6	
- Other costs	52.6	56.3	
Profit before provision & tax	51.0	69.8	-27%
Provisions	14.7	11.6	
Profit before tax - Operational	36.2	58.2	-38%
One time provision on account of ARC (See note 1)	11.0		
Profit before tax - Reported	25.2	58.2	

Note 1

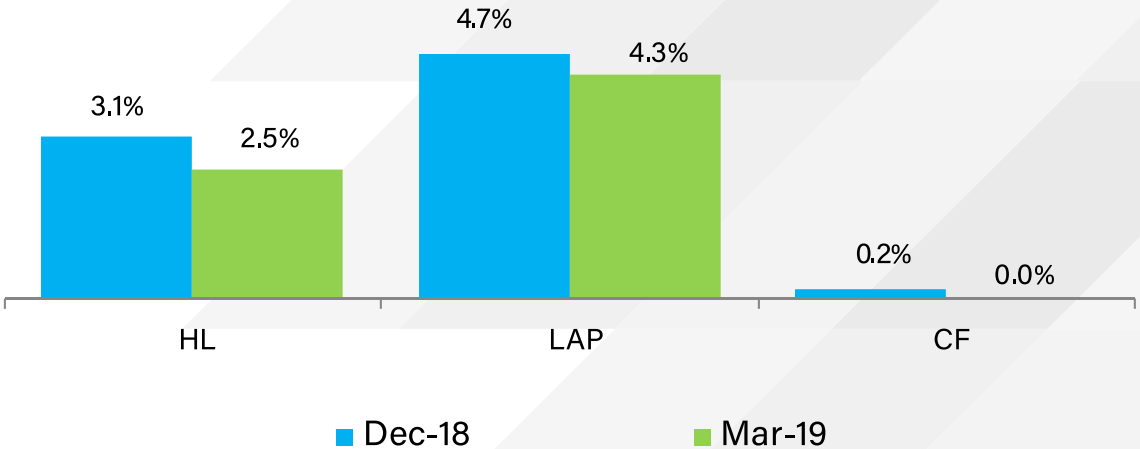
Effect of one time sale of certain assets to an ARC

ASSET QUALITY ANALYSIS

NPA Trend (Retail & CF) - IND AS



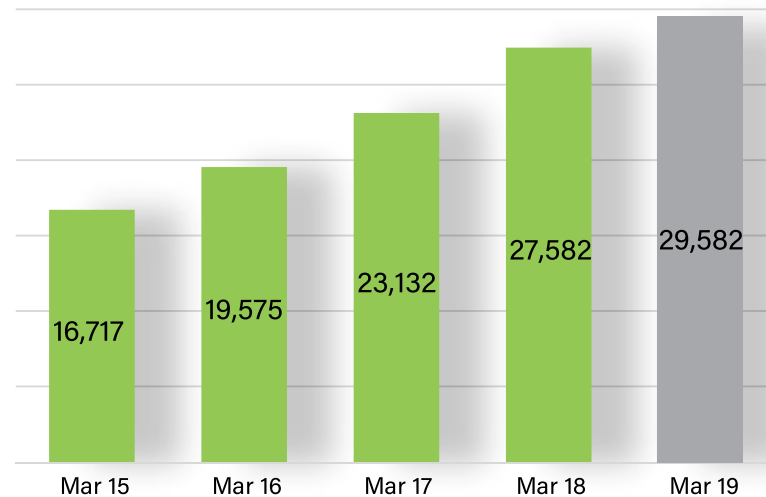
NPA Trend (Product-wise Comparison) - IND AS



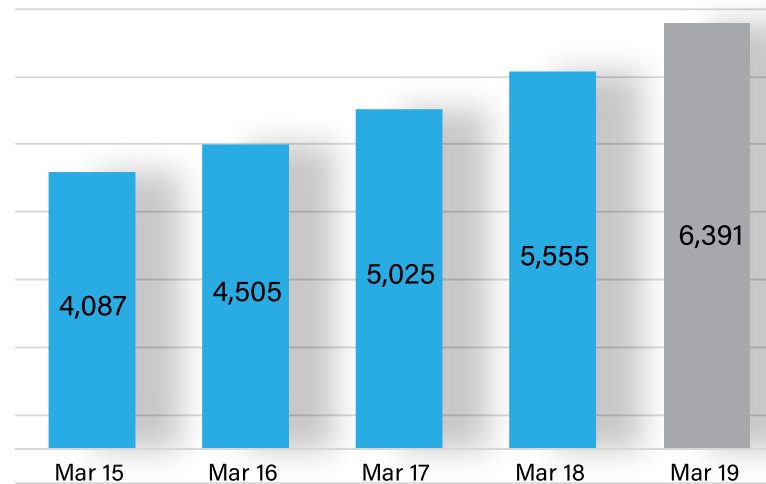
ANNEXURES

FINANCIALS - I

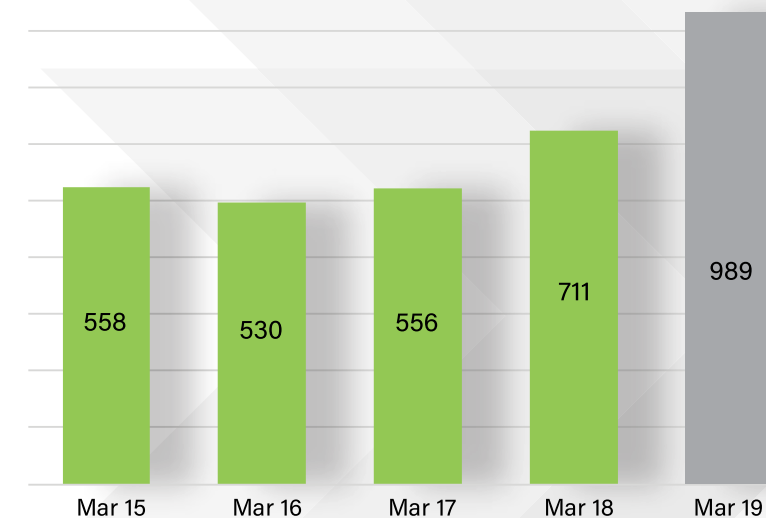
AUM



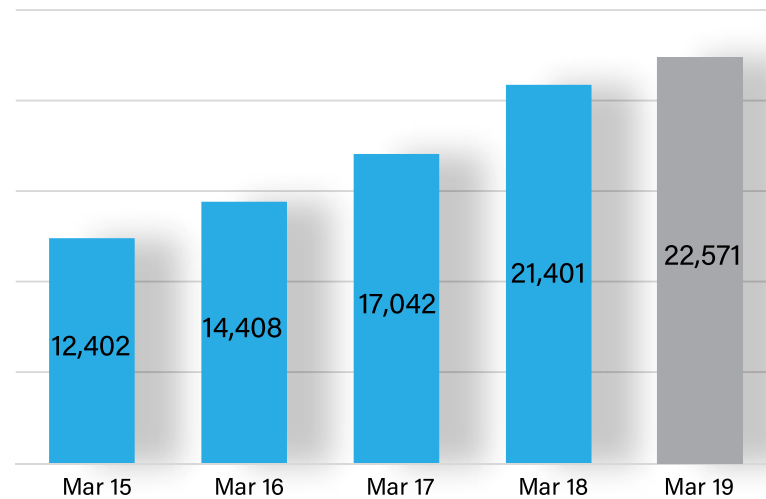
NET WORTH



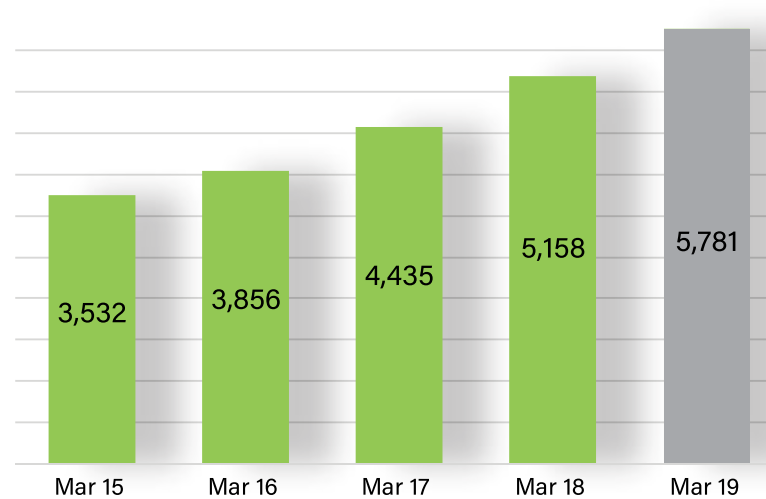
PROFIT AFTER TAX



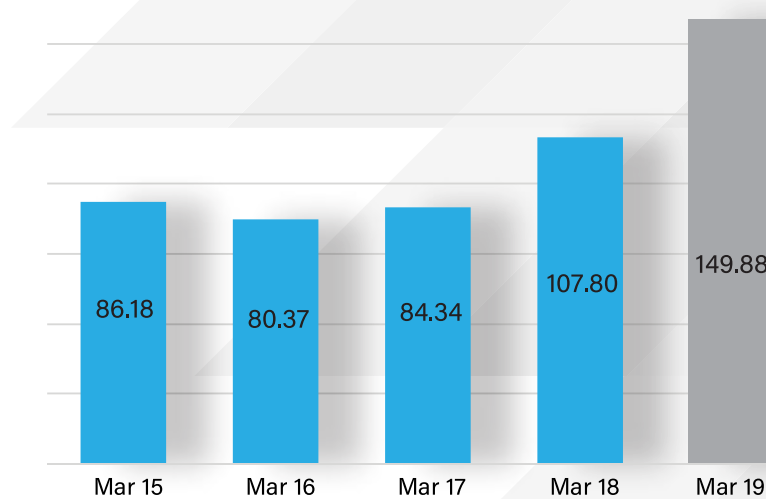
BORROWINGS



TOTAL INCOME

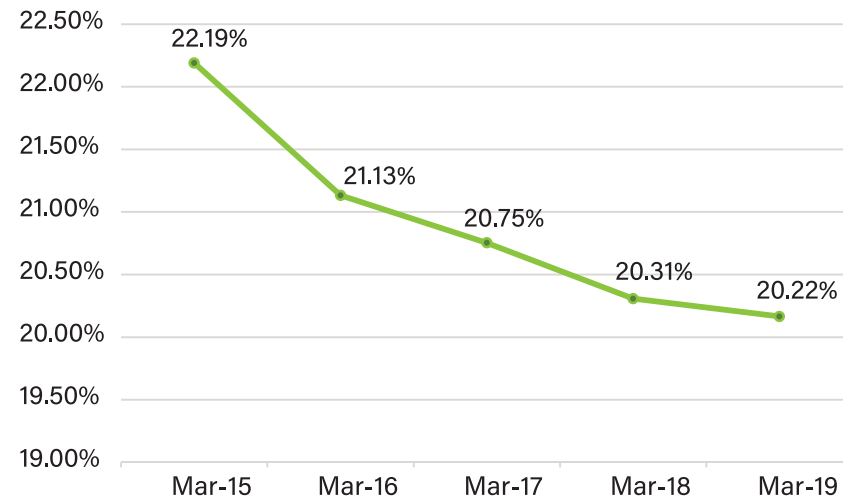


EPS

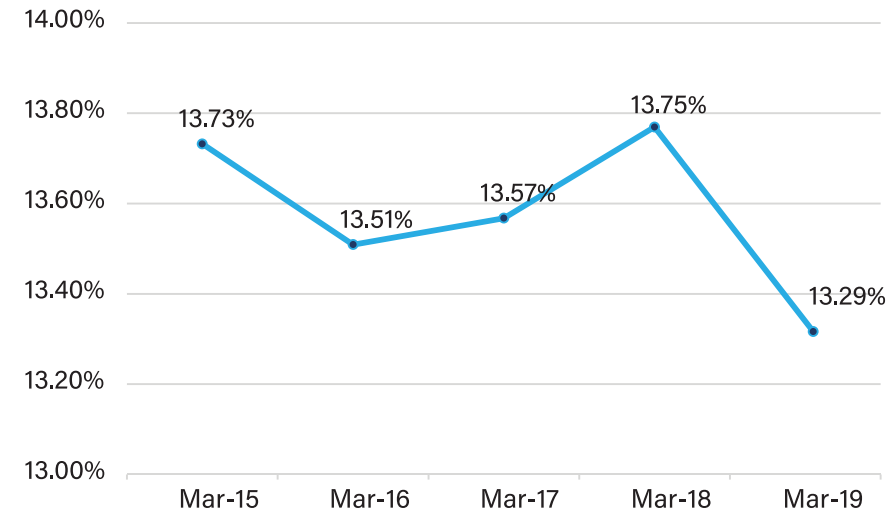


FINANCIALS - II

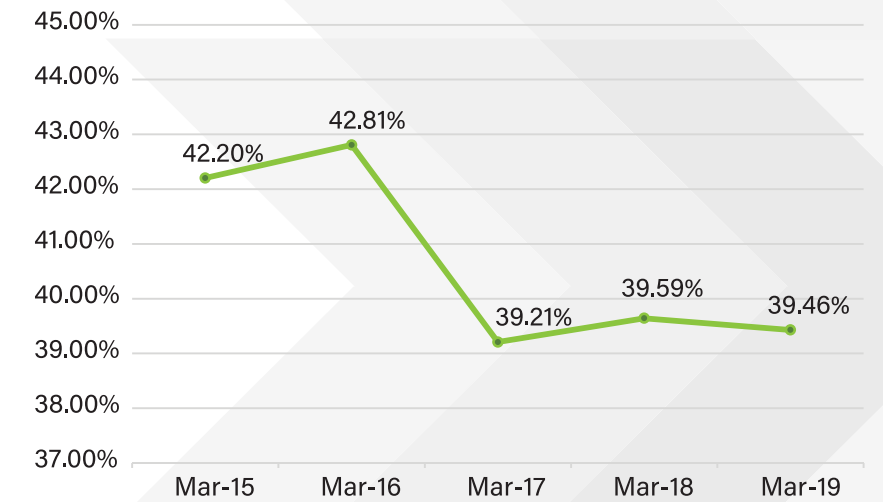
YIELD ON ASSETS



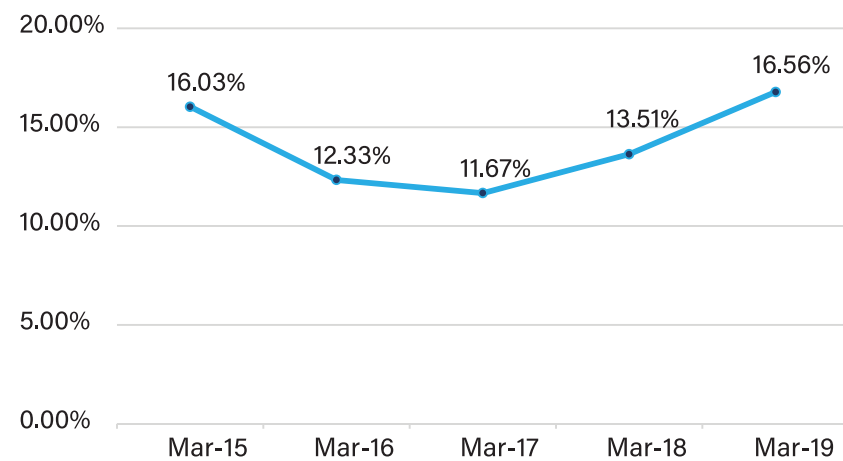
NET INTEREST MARGIN



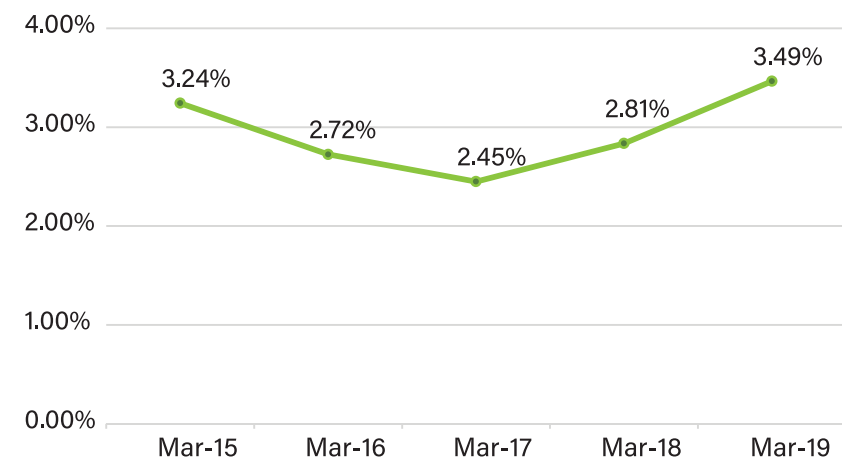
COST TO INCOME



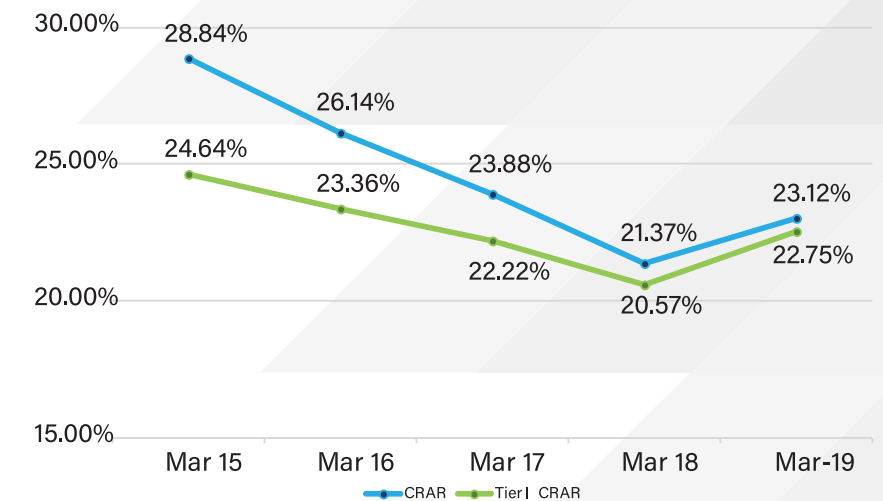
RETURN ON EQUITY



RETURN ON ASSETS



CRAR & TIER I CRAR

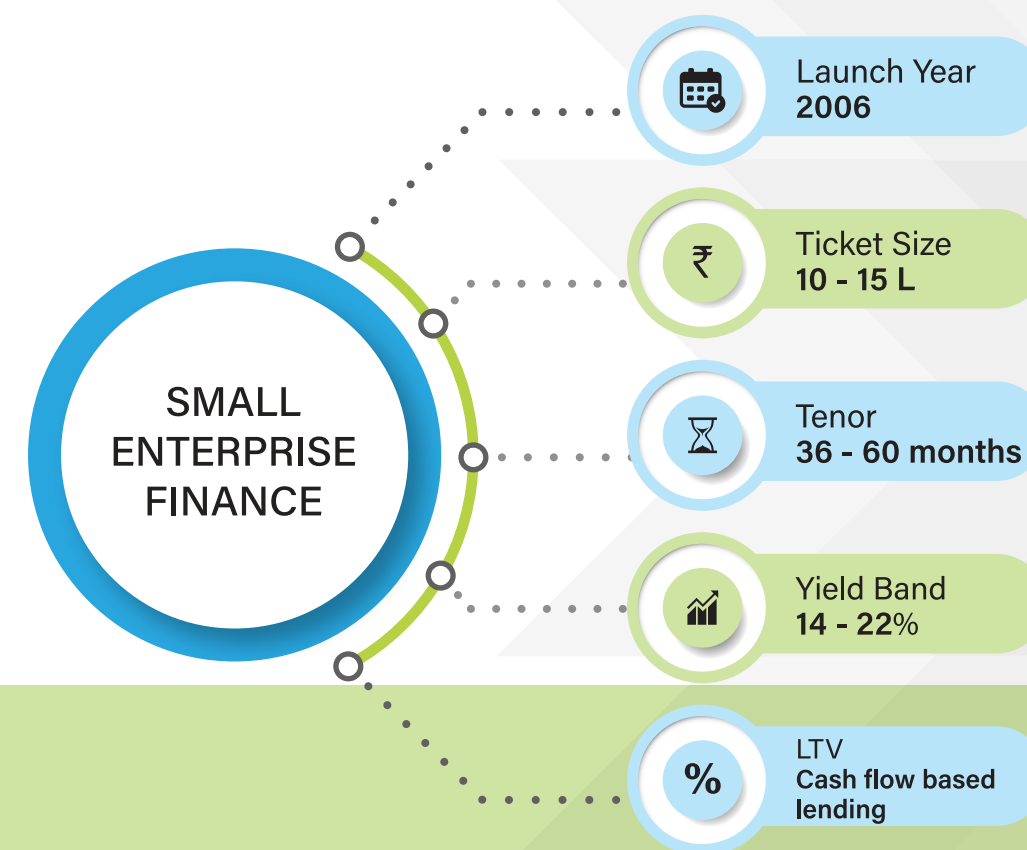


SMALL ENTERPRISE FINANCE



Small Enterprise Finance

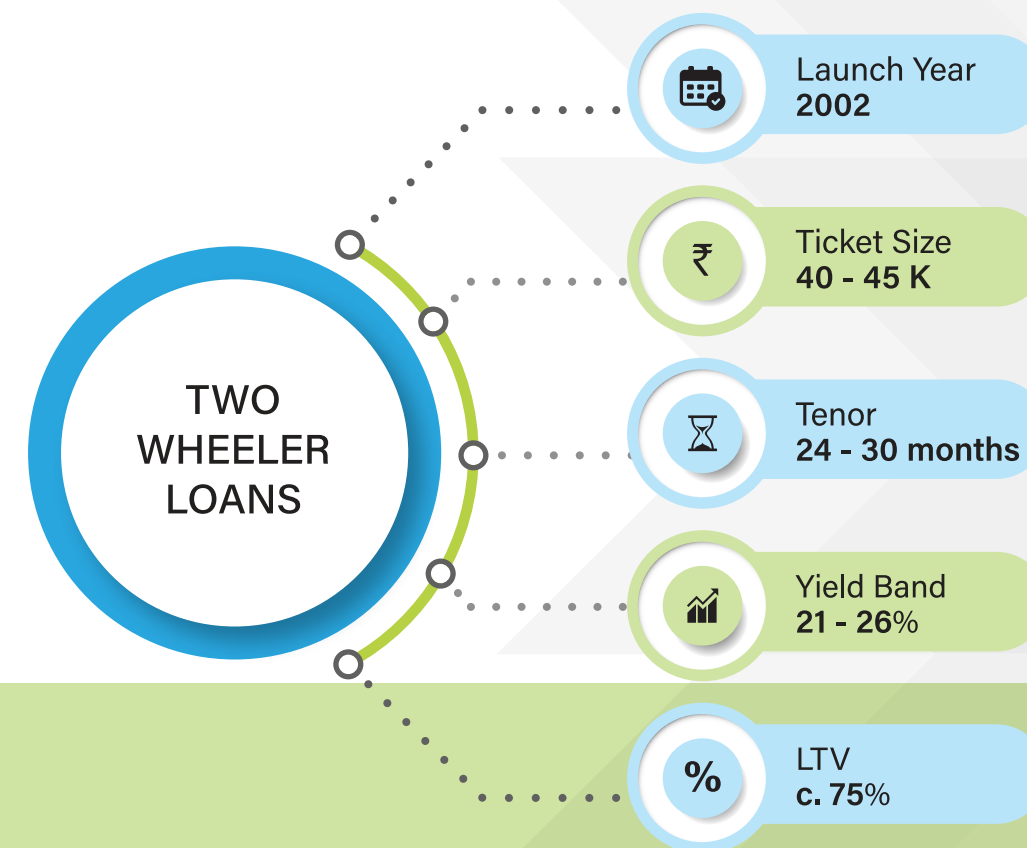
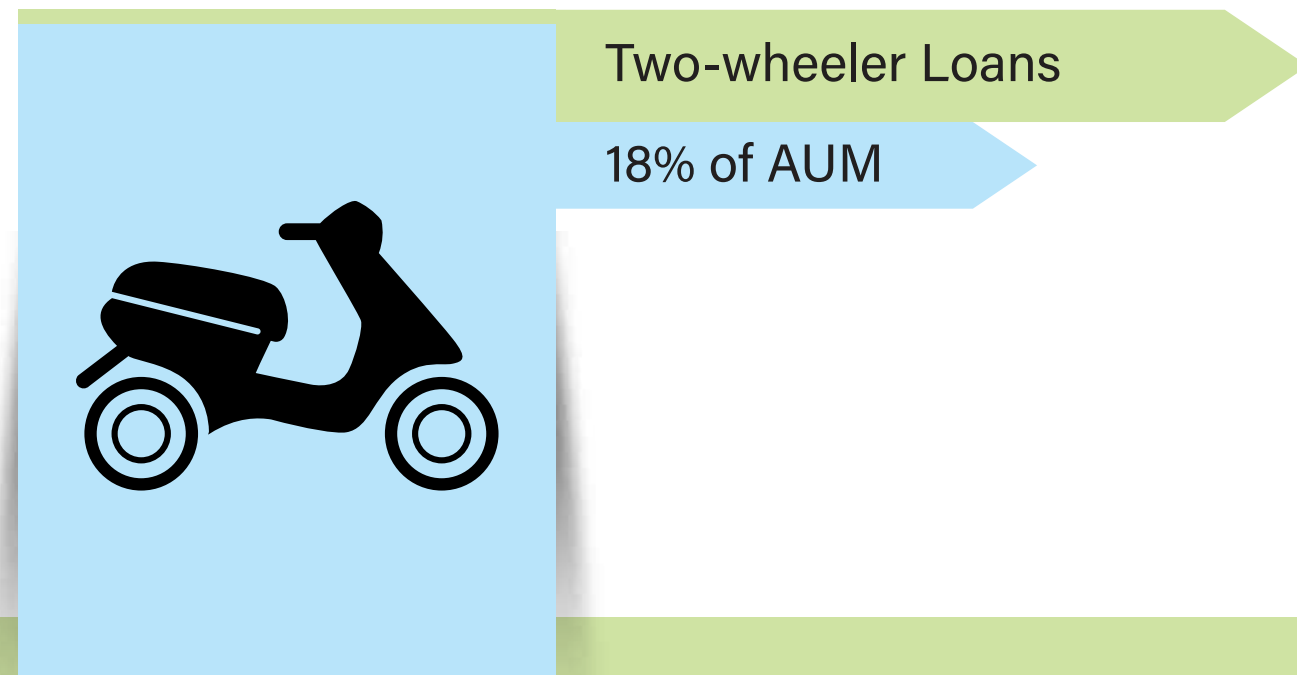
60% of AUM



- Loans to under-banked micro & small enterprises
- Relationship and contact based - differs from branch-centric lending businesses generally adopted in this segment
- In-house built credit appraisal model - tailor made to suit the areas of operations
- Cash flow based lending model - rather than collateral based
- Strong presence in Andhra, Telangana, Tamil Nadu & Maharashtra - economically advanced states with uniqueness of language acts as barrier to competition in large scale

Immense growth potential product segment - with tested, commercially viable & offering an attractive return to investors & society at large

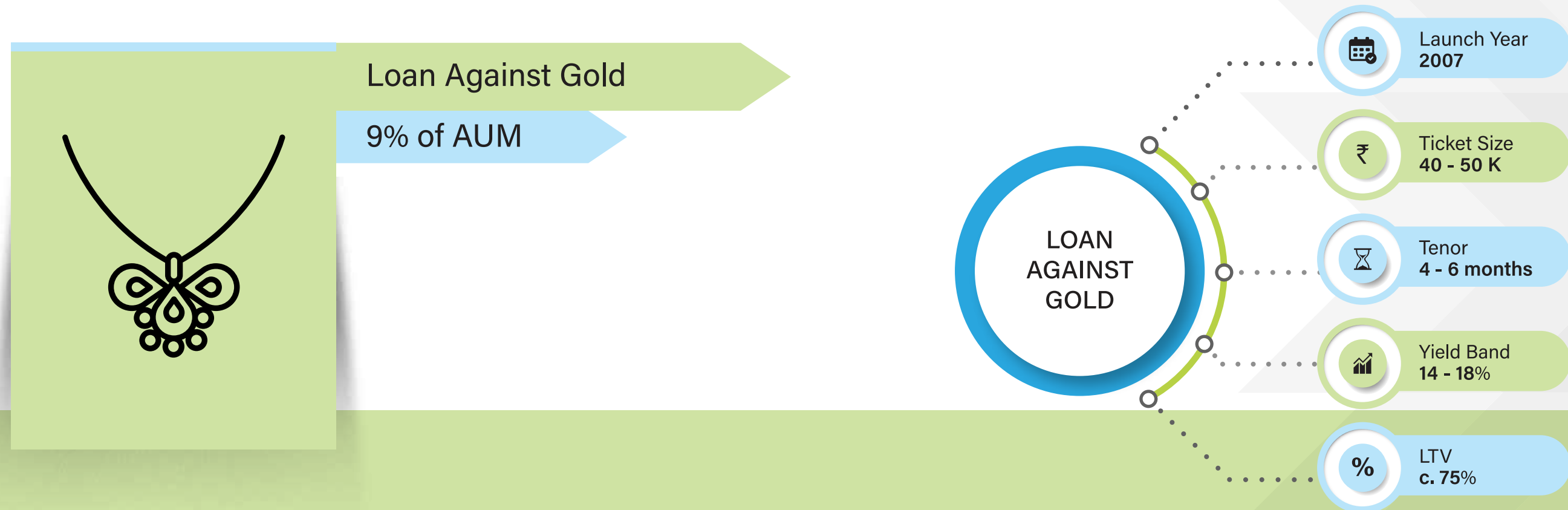
TWO-WHEELER LOANS



- Market leader in Two-wheeler financing - 20% market share in financed portion
- Quick Turn around Time - use of technology coupled with feet-on-street dominance
- Operations in non-metro markets - with focus on non-salaried Class
- Excellent relationship with dealers and manufacturers - despite being the lowest in dealer payouts

Market leader in south and also in Newer Geographies - West, North & Central India

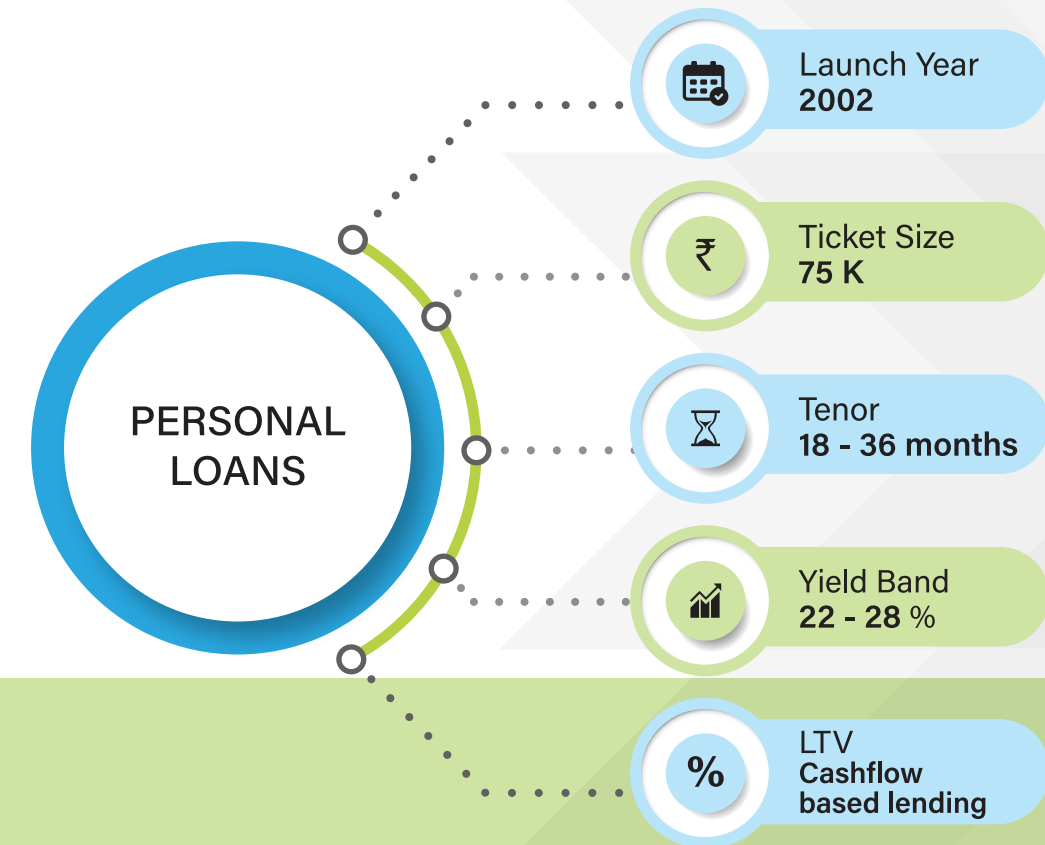
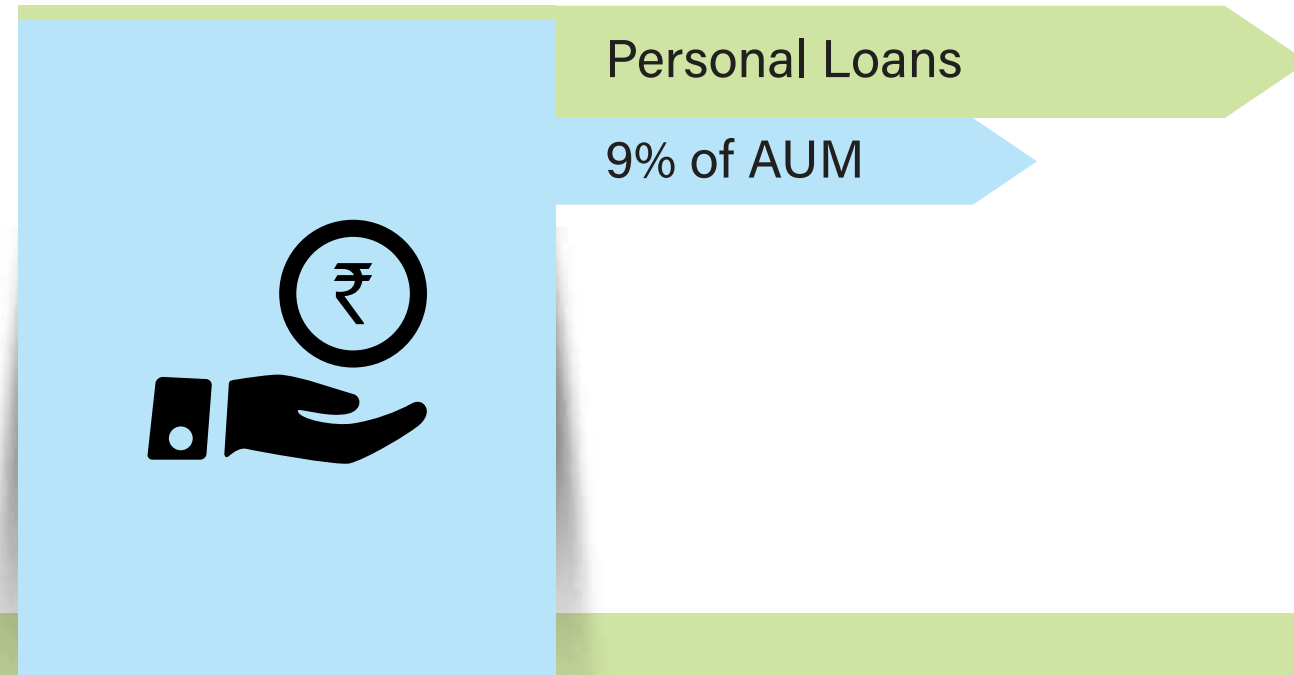
LOAN AGAINST GOLD



- Largely focused on lending to individual customers - Presence only in 5 states
- Systematized Controls - LTV's are controlled systematically & immense use of technology for risk monitoring
- Usage of existing infrastructure - Loan Against Gold is offered as add on product and not through exclusive branches
- Collection Efficiency - Collection team available for other products made use of in case of decline in gold prices

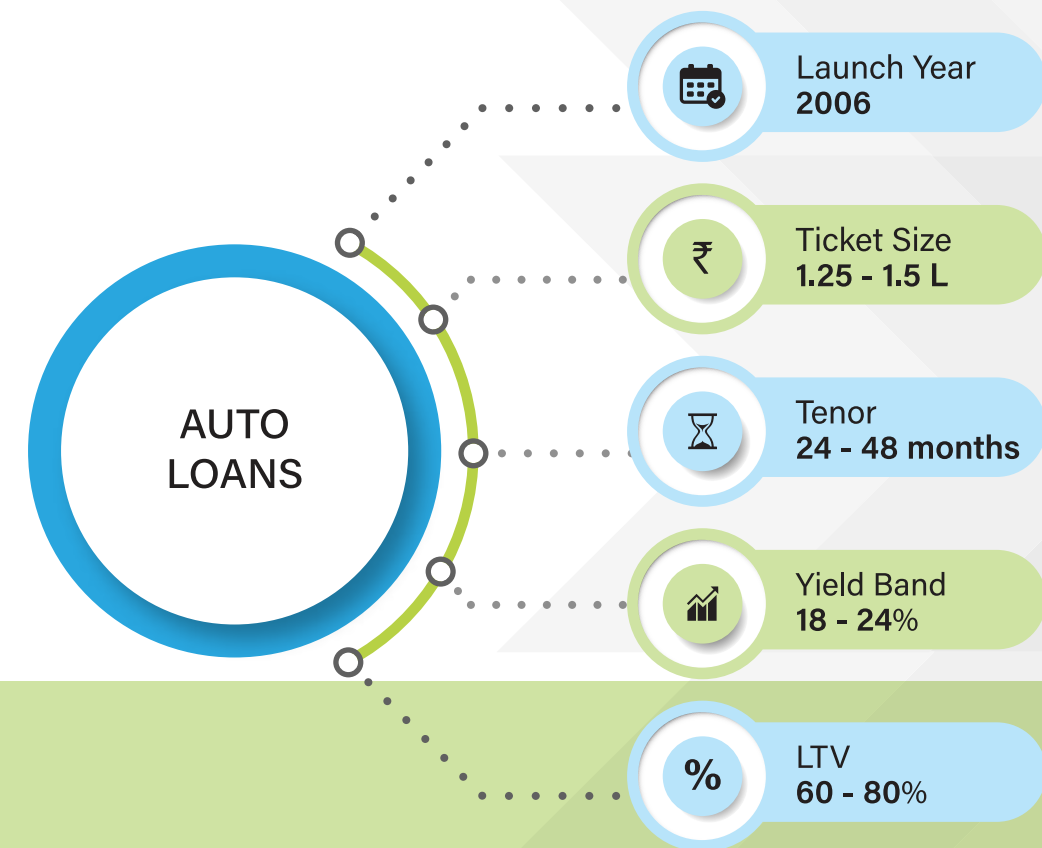
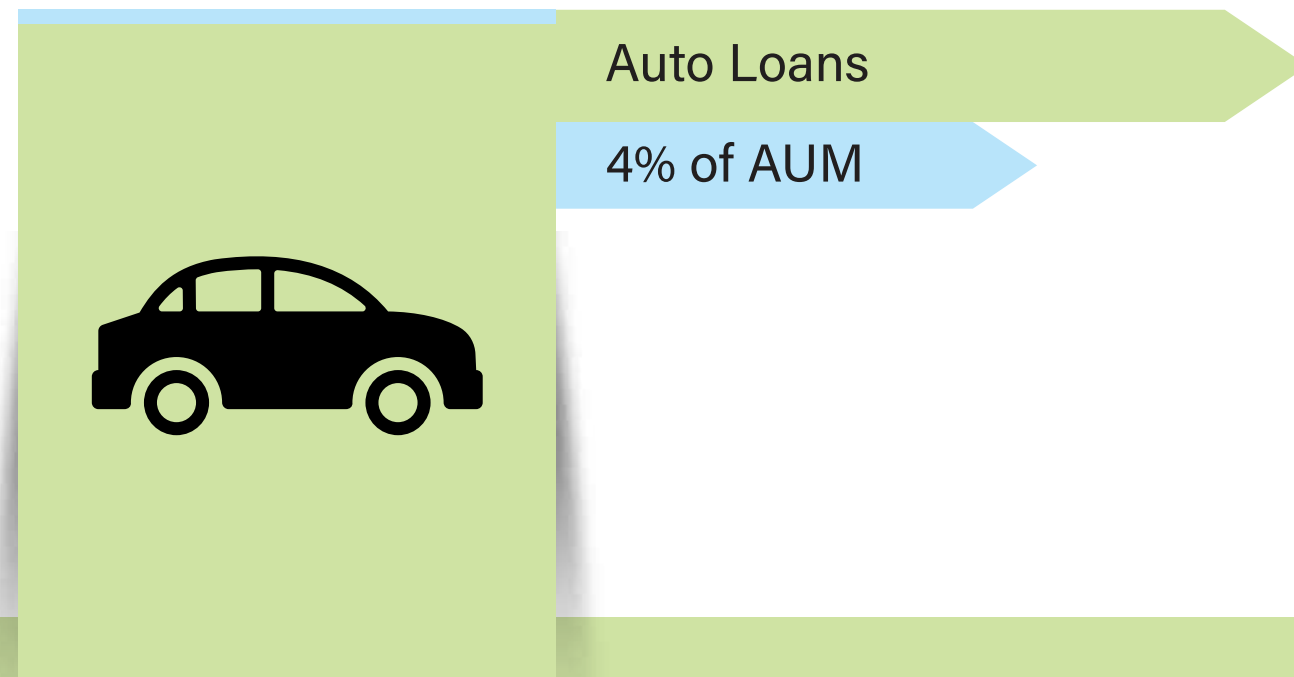
Usage of existing infrastructure & systematized controls offers flexibility in offering this product based on the movement of gold prices

PERSONAL LOANS



- Personal loans to salaried and self employed individuals
- Rules based PL sanction and underwriting, basis customer historical track record for two-wheeler customers
- Continued Contact with customer - As part of cross sell, customers are kept in constant touch - acts as feeder for other loans as well

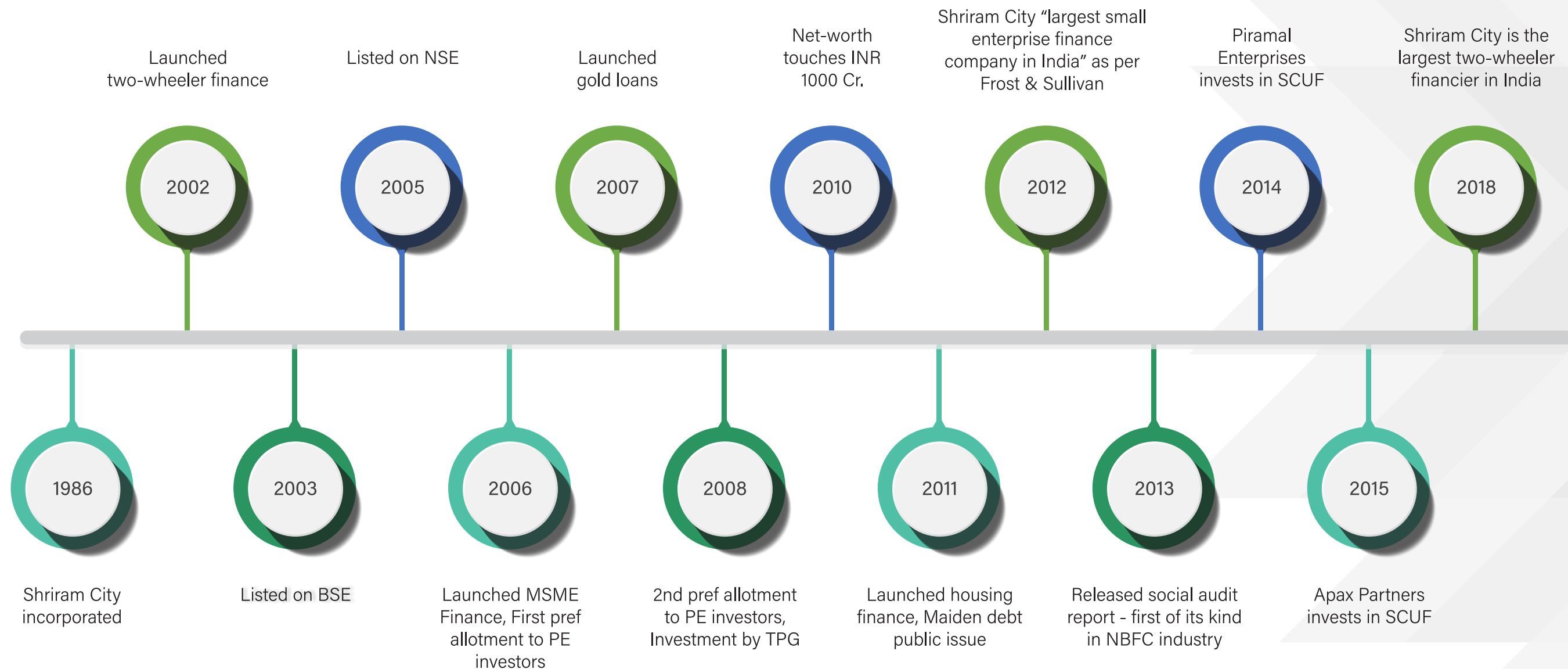
AUTO LOANS



- Finance for purchase of new and pre-owned passenger and commercial vehicles.

This includes finance for three wheelers, four wheelers, used and new cars.

CORPORATE HISTORY



DISCLAIMER

This presentation is for information purposes only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of Shriram City Union Finance Limited (the “Company”) and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

There is a possibility of updation, modification or amendment because of adjustments which may be required to be made on account of introduction of new standards or its interpretation, receipt of guidelines or circulars from regulatory bodies / **regulatory standards**.

This presentation is not a complete description of the Company. Certain statements in the presentation contain words or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Any opinion, estimate or projection herein constitutes a judgment as of the date of this presentation, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The information in this presentation is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Company. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date of this presentation or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

All information contained in this presentation has been prepared solely by the Company. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this presentation. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. This presentation may not be used, reproduced, copied, distributed, shared, or disseminated in any other manner. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

THANK YOU