

# Shriram Housing gets ₹300-cr capital infusion from parent

## Funds to be utilised for expansion

### OUR BUREAU

Mumbai, October 13

Shriram Housing Finance Ltd (SHFL) on Wednesday said it has received the second round of equity capital infusion of ₹300 crore from parent company, Shriram City Union Finance (Shriram City).

With this round, the total equity infusion in FY22 stands at ₹500 crore, SHFL said in a statement.

The current infusion will increase Shriram City's holding in SHFL from 81 per cent to 85.02 per cent. SHFL is an affordable housing finance company with Assets Under



Management (AUM) of about ₹4,000 crore as of June 2021.

### Affordable housing

Referring to the affordable housing and mid-market segment witnessing strong demand in tier-2 and tier-3 cities, SHFL underscored that the capital infusion will be utilised to fund the rising demand for home loans.

The company plans to expand its distribution with the primary focus on cross-selling through the Shriram Group network to Shriram customers in Andhra Pradesh and Telengana. The capital will also be utilised to fund the expansion plans in the targeted regions, the statement said.

Ravi Subramanian, MD & CEO, SHFL, said: "Our parent's capital infusion will help us expand our footprint and enhance our growth potential. This is also a reinforcement of the groups' faith in our transformed business model.

With the latest round of capital infusion, SHFL's net worth, which was at ₹788 crore as of June 30, 2021, has risen to ₹1,088 crore.