

## **Shriram Housing Finance' Assets Under Management Grow by 54% YoY to INR 6,546 Cr, PAT increase of 81% YoY to INR 34 Cr in Q2FY23**

**Mumbai, October 21, 2022:** Shriram Housing Finance Limited, a leading affordable housing finance company announced its results for Q2FY23. Assets Under Management (AUM) grew by 54% YoY to INR 6,546 Cr in Q2FY23. The disbursements for the quarter grew by 66% YoY to INR 1,049 Cr. For H1FY23, the disbursements stood at INR 1,844 Cr, a growth of 116% over the same period last year. The company has maintained an accelerated growth momentum with AUM growing at 52% CAGR over the last 3 years, coupled with consistent improvement in asset quality.

The Profit After Tax for Q2FY23 was INR 34 Cr, an 81% YoY growth. For H1FY23, the PAT stood at 64.2 Cr, a growth of 117% YoY. Asset quality improved with Gross Stage-3 assets at 1.04% (excluding RBI circular dated 12 Nov'21), an 87 bps YoY improvement. Net Interest Margins also improved by 124 bps YoY to 7.2% for Q2FY23. The disbursement yields in the quarter increased by 70 bps over Q2FY22. The annualized ROA as on Q2FY23 stood at 2.6%, an increase of 46 bps YOY.

**Growing Distribution Network:** The company is investing in growing the distribution by scaling up its network footprint across the identified key focus states. The branch network stands at 112 branches as on Sep'22. The company will continue to expand its distribution footprint and expects to the end the financial year with ~150 branches. In addition to this, the company continues to offer its products through an additional 211 branches from the Shriram group network, giving it an overall presence across 323 locations.

**Digital Drive:** Shriram Housing Finance witnessed an increase in the usage of digital platforms across the customer lifecycle in H1FY23. The company launched a sales fulfilment tool – GrihaPoorti, a Tab based Application – for its sales team to drive digital customer onboarding. For the quarter gone by, more than 68% of all customers were sourced through the app. The company is working towards enhancing its platforms and services with API-based integrations which will lead to simplification and quicker turnaround.

Commenting on the results **Mr Ravi Subramanian, MD & CEO, Shriram Housing Finance** said, “The availability of affordable housing and its credit gap has always been an issue. However, in recent years due to the policy stimulus, improving infrastructure and employment opportunities we are witnessing changes for the better. In fact, post the pandemic there has also been a shift in consumer living patterns, with many organisations opening offices in non-metros leading to higher demand for affordable housing finance. Riding on the back of this largely



**Shriram Housing Finance Ltd.**

Level 3, Wockhardt Towers, East Wing, C-2, G Block, Bandra Kurla Complex, Mumbai - 400051.

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

CIN : U65929TN2010PLCO78004

untapped market Shriram Housing Finance has steadily moved to become the 4<sup>th</sup> largest affordable housing finance company in India today. With our widening distribution network, we would continue to outpace the industry growth. Our focus is to enhance our distribution network to widen our presence in the desired markets, which will help us build a continuous growth reservoir. We have crossed INR 6,500 Cr AUM and will continue to deliver robust growth in FY23.”

### **About Shriram Housing Finance Limited**

Shriram Housing Finance Limited (SHFL), a Housing Finance Company registered with the National Housing Bank (NHB) and promoted by Shriram City Union Finance Ltd. SHFL is amongst the fastest growing, profitable Affordable Housing Finance Company with a network of 112 branches. Assets Under Management (AUM) of over INR 65 Bn as of Sep 2022.

### **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 promoter company for the Financial Services (Shriram City Union Finance Limited & Shriram Transport Finance Limited) and holding company of 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 of over 22.5 Million, with around 79,100 employees across 4,000 branches. Net profit of INR 53.6 billion with Assets Under Management (AUM) of over INR 2.16 trillion (as of Mar-22).

### **Media Contact information:**

Diana Monteiro  
DVP - Corporate Communications  
Shriram Group  
Mobile: +91 9820779897  
E-mail: diana@shriram.com



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