

Shriram Housing Finance' Assets Under Management Grow by 50% YoY to INR 8,047 Cr, PAT increased by 68% YoY to INR 37.1 Cr in Q4FY23

Mumbai, April 27, 2023: Shriram Housing Finance Limited, a leading affordable housing finance company, announced its results for Q4FY23. Assets Under Management (AUM) grew by 50.3% YoY to INR 8,047 Cr in Q4FY23. The disbursements for the fiscal were the highest ever at INR 4,146 Cr, up 51.4% YoY. The disbursement yields in the quarter increased by 70 bps over Q4FY22. The company has maintained an accelerated growth momentum with AUM growing 44% CAGR over the last 4 years, with consistent improvement in asset quality.

Asset quality improved with Gross Stage-3 assets at 0.6% (excluding RBI circular dated 12 Nov'21), a 54 bps YoY improvement. Net Interest Margins in FY23 also improved by 46 bps YoY to 7.1%. PAT for FY23 stood at INR 137.8 Cr, with a growth of 71% YoY and for Q4FY23 stood at INR 37.1 Cr, up 68% YoY. The ROA for FY23 stood at 2.4%, an increase of 32 bps YoY.

Investment in Distribution: The company is investing in the expansion of its distribution through the addition of branches across the identified key focus states. The company added 19 branches to its network in 2HFY23, taking the total branch strength to 131 as on Mar'23. The company will continue to expand its distribution footprint and targets to add 40 new branches in FY24. The company will also add 1000 employees to strengthen its sales and service teams to complement the growth in the branch network. SHFL is now a dominant player across Southern states and Gujarat and plans to expand distribution in selected focused geographies.

Digital Driven Approach: Shriram Housing Finance focused on enhancing its technological capability by use of digital platforms to improve customer lifecycle management in the year gone by. The underlying objective of this is to enhance competencies across product, process, data analytics and governance. The company launched a sales fulfilment tool – GrihaPoorti, a Tab based Application – for its sales team to drive digital customer onboarding. In FY23, more than 60% of all customers were sourced through the app. The company developed and launched tools like 'BET' a bounce estimator tool which won awards and accolades from the industry. The digital-driven approach has enabled better operational efficiencies, faster underwriting and improved customer experience.

Commenting on the results **Ravi Subramanian, MD & CEO, Shriram Housing Finance** said, "Housing finance is under-penetrated in India and there is a significant skew by geography and income segments. The affordable housing finance segment in non-metros is witnessing a



secular growth, and Shriram has specialized its product suite and processes to cater to the niche segment for self-employed customers. At Shriram Housing Finance, we are witnessing the flywheel effect – where all the small improvements have together catapulted us to achieve industry-leading growth. In the last 4 years, we have grown our AUM by 44% CAGR and our NPAs have dropped to an all time low. We are today the third-largest affordable housing finance company in the country. We plan to continue the current run rate and deliver robust growth in FY24.”

About Shriram Housing Finance Limited

Shriram Housing Finance Limited, a Housing Finance Company registered with the National Housing Bank (NHB) and promoted by Shriram Finance Ltd. The Company commenced operations in December 2011. Shriram Housing Finance Limited is amongst the fastest growing, profitable Affordable Housing Finance Company with a network of 131 branches, Assets Under Management (AUM) of over INR 80 Bn as of Mar 2023. The company is the highest-rated affordable housing company at AA+/Stable by CRISIL, India Ratings and CARE. Shriram Housing Finance is a Great Place to Work-Certified™ organisation.

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 Finance is India’s largest retail NBFC and Shriram Housing Finance Limited is a subsidiary of Shriram Finance Limited. The group also has Insurance entities (Shriram General Insurance Company Limited & Shriram Life Insurance Company Limited). The lending and insurance companies were created with the primary objective of optimizing the synergies across the Group entities.

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