

## Shriram City Union hits record high on strong Q2 results

The stock surged 9% to Rs 2,546 after the company posted 34% YoY growth in net profit at Rs 204 crore for Q2FY17.

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Shriram City Union Finance has surged 9% to Rs 2,546, also its record high on BSE, after the company reported a strong 34.3% year on year growth in net profit at Rs 204 crore for the quarter ended September 30, 2016 (Q2FY17), on the back of healthy net interest income. The non-banking finance company had profit of Rs 152 crore in the same quarter year ago.

Net interest income (income from operations minus interest expenses) grew 22.3% at Rs 735 crore against Rs 601 crore in the corresponding quarter of previous fiscal.

“Net interest margin (NIM’s) remains healthy at over 14% as compared to 13.71 % in June 16, quarter. Yield on assets has increased by 27

bps as compared to previous quarter and is at 21.31%,” Shriram City Union Finance said in a release.

The company’s assets quality also improves sequentially. The gross non-performing assets (NPA) as percentage of total assets stood at 4.96% in Q2FY17 as compared to 5.11% in previous quarter. Net NPA stood at 1.35% against 1.46% in June quarter.

The board has declared interim dividend of Rs 5 (i.e. 50%) per equity share of Rs 10 each. The dividend shall be paid/ dispatched on or before November 18, 2016, the company said.

At 10:29 am, the stock was up 7% at Rs 2,486 on BSE. A combined 71,976 shares changed hands on the counter on BSE and NSE so far.