

SCRIP NAME: SRGHFL; SCRIP CODE: 534680; ISIN: INE559N01010

Date: 09-11-2020

To,
The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Sub: - Press Release –September 2020

Dear Sir,

We submit herewith the press release with respect to Unaudited Financial Results for the quarter and half year ended September 2020.

Yours Faithfully,

For SRG Housing Finance Limited



Sunaina Nagar
Company Secretary
M.No:- A40754



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SRG Housing Finance Ltd.- Press Release

The Board of Directors of SRG Housing Finance Ltd. (SRGHFL) have approved the Un-Audited Financial Results for Quarter and Half Year ended 30th September, 2020 at their meeting held in Udaipur on 9th November, 2020

FINANCIAL RESULTS

Performance Highlights

(Rs. In Cr.)

Particulars	Q2FY 21	Q2FY20	H1 FY 21	H1 FY 20
Loan Assets(AUM)	288.68	284.31	288.68	284.31
Loan Disbursement	22.13	12.78	26.60	24.36
Total Revenue from operations	20.23	20.38	36.39	36.81
Net interest income(NII)	9.01	9.08	16.96	18.10
NIM (%) on Gross AUM	3.19	3.22	6.03	6.41
Profit Before tax(PBT)	7.36	7.43	11.82	12.98
Profit after tax (PAT)	5.98	6.15	9.52	10.31
EPS(Rs)	4.60	4.73	7.32	7.93
Total Equity	84.38	67.43	84.38	67.43
Book Value (per share)	64.91	51.87	64.91	51.87
Gross NPA (%)	2.40	2.10	2.40	2.10
Net NPA (%)	0.47	0.58	0.47	0.58

LENDING OPERATIONS

- The **Loan Portfolio** in Q2FY21 amounted to Rs. 288.68 crore as against Rs. 284.31 crore in Q2FY20.

➤ **Offering Mix : H1 FY21**

Particulars	LTV (%)	Disbursement (Rs. Cr.)	Average Ticket Size (Rs. Lakhs)	Yield (%)
Housing loan	41.05	12.49	5.27	23.17
Loan Against Property	43.85	14.11	9.92	22.47

- Total **Loan Sanctions** in the Q2FY21 stood at Rs. 26.20 Crore as against Rs. 13.12 Crore in the Q2FY20 with increase of 99.70 %.
- Total **Loan Disbursements** in the Q2FY21 stood at Rs. 22.13 Crore as against Rs. 12.78 Crore in the Q2FY20 with increase of 73.16 %.
- The **Loan to Value Ratio (LTV)** of AUM at ~41% coupled with strong standards of credit underwriting has safeguarded the Company from unnecessary credit risk
- **Loan Spread:** The Company continues to earn a strong spread on its loans of ~12 %.
- **Asset Quality:** The net NPA in Q2FY21 stood at 0.47% vs 0.58 % in Q2FY20 witnessing a Quarter on Quarter improvements.

FINANCIALS

- The **Net Interest Margin to Average Earning Assets** in Q2FY21 was at 3.19 % as against 3.22%.
- **Total Equity** as on September 30, 2020 is **Rs 84.38 crore**.
- The **Return on Average Equity (ROAE)** as on September 30, 2020 was at 7.35 %.
- The **Return on Average Assets (ROAA)** as on September 30, 2020 was at 1.63 %.
- The **Cost to income ratio** in Q2FY21 is 35.92 % vs 38.63 % in Q2FY20.

FUNDING

During the Quarter company has received Funds of Rs. 25 Cr under TLWC and issued non-convertible debentures to the tune of Rs. 25 Cr. under TLTRO scheme. During HY21, the company has received sanction of Rs. 100 Crores.

BORROWING MIX:

Sr.No.	Particulars	Q2 FY21	Q2 FY20
1	Banks	43%	56%
2	NHB	10%	3%
3	FI	31%	35%
4	NCD	16%	6%

BUSINESS PRESENCE

Retail Network:

SRG is operating through its presence in **4 states through 34 branches** as on date. It has offices in Rajasthan (18), MP (10), Gujarat (7) and Maharashtra (1). Its registered office is in Udaipur, Rajasthan and corporate office is situated in Mumbai, Maharashtra.

TECHNOLOGICAL INTEGRATION

SRG "SRAJAN", a combined initiative of digital transformation and Business process re-engineering we aimed at standardizing our Standard Operating Procedures (SOPs) and streamlining our key activities and core functions. Our key objective behind this is to eliminate redundancies and enhance efficiencies and productivity of our resources. Technology adoption has helped us automate our business operations and empower our Human resource across the organizational framework to serve our customers in a better way.

During the lockdown where our offices were closed, we were still able to co-ordinate and work efficiently with our mobiles apps functioning at all times. Our Sales Application empowering us with LOS, Docu-Check in KYC verification of customers, Credit PD app in determining the eligibility of the customer on real-time, Go-Collect Application in real-time collection management along with the efficient real-time tracking field agents activities remotely at the same time.

As part of SRIJAN's Digital transformation initiative, we have introduced HR Mantra for Employee Attendance, training and Payroll Management. In addition to this, we have moved to the IT service desk for raising tickets for requests and resolution and performance management of our IT resources, Assets and Office 365.

MANAGEMENT COMMENTARY ON RESULTS

Commenting on the company's financial performance Mr. Vinod Jain, Managing Director of the company stated that the quarter gone by was critical not just for us, but for the entire banking and financial services industry. With the 6-month moratorium ending in August'20, the focus was to scale up on-field collection efforts and the Company has been able to make considerable improvement in the last 2 months. While the broader economy is still recovering, the Company has witnessed a better than expected disbursement numbers in Q2 FY21 which is more than Q2FY20, with the trend seeming to be on a positive trajectory in the coming quarters. The pent-up demand and the economic activities associated with the festive season are expected to boost business sentiments and improve disbursements and collections. The Company continues to hold strong liquidity position with Rs. 8.94 crores as cash & bank balances as of Sep'20, Rs. 53.40 crores in liquid funds as on Sep'20 with a total liquidity position of Rs. 92.34 Cr (including undrawn sanctioned lines). The ALM is comfortable with no negative cumulative mismatches across all time buckets.

9th November, 2020



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