

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

Date: 07-02-2022

To,
Department of Corporate Affairs
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Dear Sir,

Subject: Press Release on Un-Audited Financial Results for the Quarter and Nine month Ended December 31, 2021

With reference to above we hereby provide Press Release with respect to Un-audited financial results for the quarter and nine months ended December 31, 2021.

Kindly take the same on record.

Thanking You,

With Regards

For SRG Housing Finance Limited

**Sunaina Nagar
Company Secretary
M. No. A40754**

SRG HOUSING FINANCE LTD
Always with you



SRG Housing Finance Limited

9MFY22 PRESS RELEASE

The Board of Directors of SRG Housing Finance Ltd. (SRGHFL) have approved the unaudited Financial Results for Quarter and Nine months ended 31st December, 2021 at their meeting held on 7th February 2022.

Performance Highlights

Total Income is Rs. 57.96 Crore in 9M FY22 up by 0.40% YoY.

Net Interest Income is at Rs. 30.68 crores in 9M FY22 up 14.26% YoY.

The **Net Interest Margin to Average Earning Assets** in 9M FY22 is at 9.33% as against 9.30% of 9M FY21.

Total Net Worth as on Dec 31, 2021 is Rs. 108.02 Crore as against Rs. 90.03 as on Dec 31, 2020 and Rs 93.61 cr as on March 31, 2021

Profit after Tax (PAT) is Rs. 14.56 Crore in 9M FY22.

Total **Loan Disbursements** in the 9M FY22 stood at Rs. 51.36 crore.

The **Return on Average Equity (ROAE)** as on Dec 31, 2021 is at 14.44%. (Not annualized)

The **Cost to income ratio** in 9M FY22 is 48.44 %.

Capital Adequacy Ratio as on Dec 31, 2021 is stood at 40.23% out of which tier I capital 39.91% and tier II capital was 0.33%.

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: NNPA 0.45% in 9M FY22.

Key performance parameters

(Rs crores)

Particulars	Q3FY22	Q3FY21	9MFY22	9MFY21
Gross Loan Assets (AUM)	332.28	303.11	332.28	303.11
Loan Disbursement	21.85	26.77	51.36	53.37
Total Income	19.98	21.33	57.96	57.73
Net interest income(NII)	10.31	9.33	30.68	26.85
NIM (%) on Gross AUM	3.13	3.15	9.33	9.30
Profit Before tax(PBT)	6.01	7.34	18.28	19.16
Profit after tax (PAT)	4.77	5.69	14.56	15.21
EPS(Rs)	3.67	4.38	11.20	11.70
Total Equity	108.02	90.03	108.02	90.03
Book Value (per share)	83.09	69.25	83.09	69.25
Gross NPA (%)	2.49	2.44	2.49	2.44
Net NPA (%)	0.45	0.46	0.45	0.46



LENDING OPERATIONS

- **Loan Mix:**

Product wise:-

Loan type	Housing Loan		LAP		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
Q3FY22	220.64	66.40%	111.64	33.60%	332.28
Q3FY21	206.36	68.08%	96.75	31.92%	303.11

Occupation wise:-

	Self Employed		Salaried		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
Q3FY22	268.40	80.78%	63.88	19.22%	332.28
Q3FY21	242.94	80.15%	60.17	19.85%	303.11

Demography wise:

	Rural		Urban		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
Q3FY22	270.30	81.35%	61.98	18.65%	332.28
Q3FY21	250.88	82.77%	52.23	17.23%	303.11

Offering Mix : as of 31 December 2021

Particulars	LTV (%)	Disbursement (Rs. Cr.)	Average Ticket Size (Rs. Lakhs)
Housing loan	40.88%	29.38	5.25
Loan Against Property	41.73%	21.98	9.21

Asset Quality

As per the RBI notification dated 12th November 2021 “Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications”, the account that has turned 90+DPD on any date should continue to be Gross NPA till such time all the overdue including principal and interest is paid and become on time.

Reported Gross Non-Performing Assets (NPA) as per new circular at an AUM level is at 2.49% while it is 2.44% without considering the impact of aforesaid notification as on 31st December 2021

- Gross NPA excluding asset classification norms as per RBI notification dated 12th November 2021 is at Rs. 8.12 crore (2.44%), which is at similar levels compared to 30th September 2021

Net NPA stood at 0.45% as on 31st December 2021 as compared to 0.41% as on 30th September 2021.



FUNDING & BORROWING MIX

Outstanding Borrowing as on December 31, 2021 is Rs. 272.64 Crore vs Rs. 305.37 Crore as on December 30, 2020. We have received sanction of Rs. 53 cr. during this quarter.

Borrowing Profile (%)	As on Dec 31, 2021	As on Dec 31, 2020
Banks (%)	35.60%	36.50%
NCD (%)	20.20%	22.47%
FI (%)	33.10%	26.95%
NHB (%)	11.10%	14.08%

BUSINESS PRESENCE

SRG is operating through its presence in **4 states through 35 offices** as on date. It has offices in Rajasthan (16), MP (10), Gujarat (8) and Maharashtra (1). Its registered office is in Udaipur, Rajasthan and corporate office situated in Mumbai, Maharashtra.

Commenting on the company's financial performance Mr. Vinod Jain, Managing Director of the company stated that there were uncertainties during Q3 due to third wave of COVID-19 pandemic therefore the demand was impacted during this period. However the fresh enquiries have improved now significantly as the third wave is finally here with relatively milder health impacts.

Our disbursements during the nine month ended Dec 2021 is Rs 51.36 crores vs Rs 29.50 crores as of Sep'21, an increase of nearly Rs 22 crore in Q3FY22. Our NIMs were also consistent with Q3 trend of last year, whereby NIMs were at 3.13% for the quarter vs 3.15% last year. Spreads continue to be strong at 12% while Net NPAs at 0.45% as of 31 Dec'21 continued to be below our threshold. Our net worth has continued to grow steadily, reaching Rs 108 crore as of Dec 31, 2021.

I am happy to inform you that even in the current challenging environment, our Company's long-term rating outlook for Non-Convertible Debentures continues to be **ACUITE BBB** by ACUITE Ratings. During Q3FY22 the Company has received sanction of Rs. 53 Crores i.e. 47% from bank and 53% from FI. We have also received sanction amounting Rs. 15 crores from bank during last month.

We continue to be adequately capitalised with Tier 1 at 39.91% of our total CAR of 40.23%. Our LTV of AUM continues to be at nearly 41% driven by strong standards of credit underwriting, which has safeguarded the company from unnecessary credit risk. Adhering to our business modal we are focused to keep lower LTV and lower ticket size.

We continue focus on building a sustainable and profitable business to achieve important AUM milestones, keeping asset quality criteria in mind, over the next 12,24 and 36 months.



For more information contact:

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DISCLAIMER: *Certain statements that are made in the Press Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. SRG Housing Finance Limited will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances*