

SCRIP NAME: SRGHFL; SCRIP CODE: 534680; ISIN NO: INE559N01010

Date: 14.09.2019

To,
Department of Corporate Services
BSE Limited
Mumbai- 400 001

Respected Sir/Madam,

**SUBJECT: PRESS RELEASE OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2019**

With reference to above, we hereby provide the press release in respect of Un-Audited Financial Results for the Quarter ended June 30, 2019.

This is for your information and record.

Kindly acknowledge receipt.

Thanking You,

With Regards,

For SRG Housing Finance Limited

Vinod K. Jain
Managing Director
DIN: 00248843



SRG HOUSING FINANCE LTD

Always with you

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 ended 30th June, 2019 at their meeting held in Udaipur on 13th September, 2019.

Pursuant to the directions issued by Ministry of Corporate Affairs, SRGHFL has adopted Companies (Indian Accounting Standards Rules), 2015 (Ind AS) notified under section 133 of the Companies Act, 2013 with effect from 1st April, 2019. Accordingly the Financial Results for the Quarter ended June 30, 2019 are made in compliance with the Ind AS requirement and the comparative figures of the corresponding Quarter of June, 2018 are restated accordingly.

FINANCIAL RESULTS*

Performance Highlights- Q1 FY 20

- SRG Housing Finance Limited reported **25% growth in Loan Book** as on June 30th, 2019 to Rs. 280.73 Crores as against Rs. 224.49 Crores in Q1FY19 with a strong focus on profitability and asset quality.
- Asset quality improved with **Net NPA** at 0.45 % for Q1FY20 as against 0.50 % in Q1FY19.
- **Total Income** was up by 31.55% to Rs.16.43 Crore in Q1FY20 as against Rs. 12.49 Crore in Q1FY19.
- **Net Interest Income** was up by 25.15% to Rs.8.46 Crore in Q1FY20 as against Rs. 6.76 Crore in Q1FY19.
- **Profit after Tax(PAT)** increased to Rs.4.16 Crore in Q1FY20 compared to Rs.3.32 Crore in Q1FY19 with a **growth of 25.30%** that resulted to an EPS of Rs. 3.20 in Q1FY20 vs Rs.2.55 in Q1FY19.

(Rs. In Cr.)

Particulars	Q1FY20	Q1FY19	Y-o-Y (%)
Loan Assets(AUM)	280.73	224.49	25.05
Loan Disbursement	11.58	31.29	(62.99)
Total Revenue from operations	16.43	12.49	31.55
Net interest income(NII)	8.46	6.76	25.15
NIM (%)(not annualised)	3.01	3.18	(5.47)
Profit Before tax(PBT)	5.54	4.34	27.65
Profit after tax (PAT)	4.16	3.32	25.30
EPS(Rs)	3.20	2.55	-
Gross NPA (%)	1.97	1.76	-
Net NPA (%)	0.45	0.50	-



LENDING OPERATIONS

- The **Loan Portfolio** in Q1FY20 amounted to Rs. 280.73 crore as against Rs.224.49 crore in Q1FY19 an increase of 25%.
- Total **Loan Disbursements** in the Q1FY20 stood at Rs. 11.58 Crore as against Rs. 31.29 Crore in the Q1FY19.
- Total **Loan Sanctions** in the Q1FY20 stood at Rs. 10.13 Crore as against Rs. 30.35 Crore in the Q1FY19.
- The **Loan to Value Ratio (LTV)** at 39.65 % 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 Q1FY20 stood at 0.45% vs 0.50% in Q1FY19 witnessing a Quarter on Quarter improvement.

FINANCIALS

- The **Net Interest Margin to Average Earning Assets** in Q1FY20 was at 3.01 % as against 3.18%.
- **Shareholder's fund** as on June 30, 2019 is **Rs. 59.86 crore**.
- The **Return on Average Equity (ROAE)** as on June 30, 2019 was at 7.19 %.
- The **Return on Average Assets (ROAA)** as on June 30, 2019 was at 1.24 %.
- The **Cost to income ratio** in Q1FY20 is 39.50 % vs 30.86 % in Q1FY19.

FUNDING

Borrowing in Q1FY20 was Rs. 270.89 Crore vs Rs 190.49 Crore in Q1FY19.

During the Quarter company has received sanctions from National Housing Bank, Oriental Bank of Commerce and MAS Financials amounting to Rs. 30 Crores.

Borrowing Mix:

Borrowing Profile (%)	Q1FY20	Q1FY19
Banks (%)	56.79	68.80
NCD (%)	6.05	11.31
FI (%)	33.99	17.28
NHB (%)	3.17	2.61



BUSINESS PRESENCE

Retail Network:

SRG is operating through its presence in **4 states through 33 branches** as on date. It has offices in Rajasthan (17), MP (9), Gujarat (6) and Maharashtra (1). Its registered office is in Udaipur, Rajasthan and corporate office is situated in Mumbai, Maharashtra.

TECHNOLOGICAL INTEGRATION

Achieving core efficiency and productivity based on technology continues to be an important focus area for the Company. Right from customer sourcing to credit evaluation, disbursement and collection, we are bringing technology into each and every process and system. This will enable us to achieve unmatched operational efficiency and cost-effectiveness leading to competitive edge in the industry.

Further, we have launched several customized mobile apps which is empowering employees and assisting them to serve customers better and faster.

Management Commentary on Results

Commenting on the company's financial performance Mr. Vinod Jain, Managing Director of the company stated that the SRGHFL we remain committed towards achieving the FY20 targets of Rs. 425 crore for Assets under Management (AUM) with stable asset quality and improved margins. The growth is impacted due to immense financial and trust issues in the industry we operate. Fund raising has become challenging in current circumstances however SRG Housing has managed to raise fund in better terms in the past quarter.

With all these 360 degree multifold progressive developments, management has provided huge impetus to mitigation of risks with proactive measures aligned with several technological integrations. We believe in our business model and its scalability in the coming times.

About SRG Housing Finance Ltd.:

SRGHFL is a Bombay Stock Exchange listed and National Housing Bank registered Housing Finance Company engaged in the financing of housing loans and mortgage loans. SRGHFL commenced operations from 2002 after getting registered with National Housing Bank being the 1st Company in Rajasthan to get NHB License. Initially, the company was incorporated as Vitalise Finlease Pvt. Ltd. on March 10, 1999. SRGHFL came out with equity public issue in September, 2012 and raised Rs.7.01 Crore from the IPO proceeds and got listed on BSE's SME segment being the 1st company in Rajasthan to be listed on SME Platform and in the year 2014. In February, 2015 Company migrated to Main Board of BSE Limited from SME Platform being India's 1st Company to migrate from BSE SME to BSE Main Board. Further in the month of May, 2016, Company started its corporate office in Mumbai, Maharashtra.

SRGHFL has outstanding AUM of Rs. 280.73 Crores as on June 30, 2019. The Company operates through its Registered Office at Udaipur and 32 branches located within Rajasthan, Gujarat, Maharashtra and Madhya Pradesh.

14th September, 2019

*Financial Ratios based on Balance Sheet are reported as per IGAAP.

