

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

Date: 10.09.2020

To,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001

Dear Sir,

**Subject: Press Release on Unaudited Financial Results for the quarter ended June 30, 2020**

We submit herewith the Press Release with respect to Unaudited financial results for the quarter ended June 30, 2020.

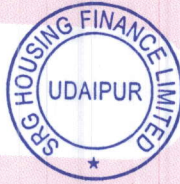
Kindly take the same on record.

Thanking You,

With Regards

For SRG Housing Finance Limited

  
Vinod K. Jain  
Managing Director  
DIN: 00248843





## 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 Period ended 30<sup>th</sup> June, 2020 at their meeting held in Udaipur on 10<sup>th</sup> September, 2020.

### FINANCIAL RESULTS

#### Performance Highlights-

Particulars	(Rs. In Cr.)	
	Q1FY21	Q1FY20
Loan Assets(AUM)	277.09	279.43
Loan Disbursement	4.47	11.58
Total Revenue from operations	16.16	16.43
Net interest income(NII)	7.95	8.46
NIM (%) on Gross AUM	2.88	3.02
Profit Before tax(PBT)	4.46	5.55
Profit after tax (PAT)	3.54	4.16
EPS(Rs)	2.72	3.20
Total Equity	78.38	59.86
Book Value (per share)	60.29	46.05
Gross NPA (%)	2.40	2.05
Net NPA (%)	0.49	0.54

Most part of the quarter ended June 30, 2020 entailed a strict nation-wide lockdown in order to curtail spread of COVID-19. Unlock 1.0 commenced in the month of June 2020 with certain restrictions. Given these circumstances, the current and previous year's numbers are not directly comparable.

### LENDING OPERATIONS

- The **Loan Portfolio** in Q1 FY21 amounted to Rs. 277.09 Crore as against Rs. 279.43 Crore in Q1 FY20.
- **Offering Mix : Q1 FY21**

Particulars	LTV (%)	Disbursement (Rs. Cr.)	Average Ticket Size (Rs. Lakhs)	Yield (%)
Housing loan	40.69	2.34	5.20	23.26
Loan Against Property	49.26	2.13	16.50	22.53





- Total **Loan Disbursements** in the Q1 FY21 stood at Rs. 4.47 Crore as against Rs. 11.58 Crore in the Q1 FY20.
- 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 Q1FY21 reduced to 0.49% from 0.54% in Q1FY20 witnessing a Quarter on Quarter improvement.

#### FINANCIALS

- The **Net Interest Margin to Average Earning Assets** in Q1FY21 was at 2.88 % as against 3.02 Q1FY20
- **Total Equity** as on June 30, 2020 is Rs. 78.38 Crore.
- The **Return on Average Equity (ROAE)** as on June 30, 2020 was at 4.62 %.
- The **Cost to income ratio** in Q1 FY21 is 41%.

#### FUNDING

During the Quarter company has received sanctions of Rs. 40 Cr from National Housing Bank under various facilities and the company has issued debentures to the tune of Rs. 10 Cr.

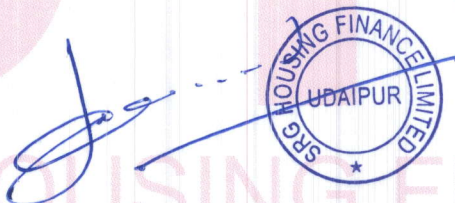
#### Borrowing Mix:

<b>Borrowing Profile (%)</b>	<b>Q1 FY21</b>	<b>Q1 FY20</b>
Banks (%)	45.35	56.76
NCD (%)	8.00	6.07
FI (%)	34.99	34.01
NHB (%)	11.66	3.16

#### BUSINESS PRESENCE

##### Retail Network:

SRG is operating through its presence in **4 states through 33 offices** 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.





### TECHNOLOGY 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 Lead management, 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 whole world is facing COVID-19 pandemic, which has impacted almost every aspect of human life. On a viewpoint of fortifying from challenges arising in post COVID-19 scenario, we all are adapting the new normal.

We have missed our AUM targets for last two years, given the industry liquidity challenges, and now with the COVID situation. However, we believe this is largely owing to the external issues which have been beyond our control. As things stand, it is difficult to accurately forecast how demand and supply variables will pan out, and to be able to set new targets.

In June quarter we have raised funds of Rs. 40 crore from National Housing Bank, Rs. 10 Crore by issue of Non-Convertible Debentures under TLTRO 2.0 and post June quarter we have successfully raised 50 Crores under TLTRO 2.0 scheme of RBI. Despite being a comparatively small HFC with just Rs.18 crore PAT, 75 crore Net Worth and Rs.280 crore Loan Book, we were successful in gaining sizeable approvals from reputed institutions – a further testimony to our superior processes and the strength of our business model.

10<sup>th</sup> September, 2020

