

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

Date: 27.06.2020

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

Dear Sir,

Subject: Press Release

Please find enclosed Press Release with respect to audited financial results for the quarter and year ended March 31, 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

Always with you

SRG Housing Finance Ltd. – Press Release

The Board of Directors of SRG Housing Finance Ltd. (SRGHFL) have approved the Audited Financial Results for quarter and year ended March, 31, 2020 at their meeting held on June 26, 2020 in Udaipur.


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 and year ended March 31, 2020 are made in compliance with the Ind AS requirement and the comparative figures of the corresponding quarter and year ended March 31, 2019 are restated accordingly.

PERFORMANCE HIGHLIGHTS

(Rs. In Cr.)						
Particulars	FY20	FY19	Y-o-Y	Q4FY20	Q4FY19	
Loan Assets(AUM)	268.15	275.13	-2.54%	268.15	275.13	
Loan Disbursement	48.48	124.9	-61.18	13.92	24.72	
Total Revenue from operations	72.60	58.12	24.91%	17.04	15.66	
Net interest income(NII)	33.99	30.64	10.93%	7.50	7.84	
NIM (%)	12.51	12.99	-3.70%	2.75	2.9	
Profit Before tax(PBT)	22.49	19.46	15.57%	3.06	3.23	
Profit after tax (PAT)	17.97	14.64	22.75%	2.54	2.07	
EPS(Rs)	13.82	11.26	22.74%	1.96	1.59	
Total Equity	74.85	56.7	32.01%	74.85	56.7	
Book Value (per share)	57.58	43.62	32.01%	57.58	43.62	
Gross NPA (%)	2.21	1.97		2.19	1.96	
Net NPA (%)	0.51	0.94		0.45	0.46	

LENDING OPERATIONS

- **Loan portfolio:** As at March 31, 2020, the **Loan Portfolio** stood at Rs. 268.15 crore against Rs. 275.13 crore in the previous year.
- **Loan Disbursements:** During the year ended March 31, 2020 the **Loan Disbursements** stood at Rs. 48.40 crore as against Rs. 124.90 crore in previous year.
- **Loan to Value Ratio (LTV):** As at March 31, 2020, the **LTV** of the 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:** As at March 31, 2020 the net non-performing assets stood at 0.51% as compared to 0.94% of previous year.



➤ **Offering Mix : FY20**

Particulars	LTV (%)	Disbursement (Rs. Cr.)	Average Ticket Size (Rs. Lakhs)	Yield (%)
Housing loan	41.84	32.48	5.24 Lakhs	23.05%
Loan Against Property	44.62	16.00	10 Lakhs	21.72%

FINANCIALS

- For the year ended FY20, the **Net Interest Margin to Average Earning Assets** stood at 12.51%.
- **Total Net Owned Fund (NOF)** as on March 31, 2020 is Rs. 74.85 crore.
- **Return on Average Equity (ROAE)** as on March 31, 2020 stood at 27.32 %.
- **For the year ended FY20, the cost to income ratio stood at 44%.**

FUNDING

As on March 31, 2020, borrowings of the company stood at Rs. 245.58 crore compared to Rs. 255.13 crore in previous year. During FY20, company raised Rs. 47.50 crore in out of which 31.57% from PSU Banks, 10.52% from NHB and 57.91% from Financial Institutions.


BORROWING MIX

Borrowing Profile (%)	FY20	FY19
Banks	52.88	57.17
Non-Convertible Debenture	5.13	6.96
Financial Institutions	39.60	34.33
National Housing Bank	2.40	1.54

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.



CAPITAL ADEQUACY RATIO

The Company's capital adequacy ratio stood at 40.04% out of which Tier I capital was 39.32% and Tier II capital was 0.72%.

MANAGEMENT COMMENTARY

Commenting on the company's financial performance Mr. Vinod Jain, Managing Director of the company stated that the whole world is going through COVID-19 pandemic, which has impacted almost every aspect of human life, we extend our gratitude to medical personnel, health officials, government leaders and volunteers around the world who are working tirelessly to respond to the COVID-19. As advised by the Government, the company has complied with all the directives issued with regards to COVID-19.

As a result, the Company closed all its offices including branches, effective 25th March 2020. During lockdown, the Company shifted to Work from Home for all the employees wherever it was possible. During the lockdown period, the Company leveraged on its technology infrastructure to ensure the business activities like customer services, liquidity management etc. are carried out from home. Our 88% of the customers use electronic modes of repayment for their installments. We have extended Moratorium to our customers with 'opt-in' option.

With offices being closed the loan disbursements were also disrupted from March to May. The Company took measures with the help of technology that our customers are timely responded during the lockdown. From June 1st 2020 the Company has been able to open all its branches. The Company is operational now with necessary precautions following necessary hygiene protocols and social distancing for the safety of our employees and customers.

On the Liquidity side company's liquidity position remains good. During lockdown period, we have opted moratorium from our lenders, however post lockdown as the collections are improving and we are also able to raise funds under various scheme of National Housing Bank and under TLTRO 2.0 scheme of RBI, we have repaid all the installments opted under Moratorium and as on date Company don't have moratorium facility from any of the lenders.

Our Asset Quality is robust and in check as we provide secured collateral loan with security of ~200 times. Hence, we are adequately protected at portfolio level and no impact on balance sheet is predicted and by adopting conservative practices Company has always provided additional provision over and above the NHB guidelines, these also results in low impact on balance sheet of the Company.

As our maximum customers belong to rural areas, where the spread of COVID 19 is very less and most of our customer's businesses are of essential category, the repayments of the customer are regular.

Amid such environment we continued our focus on maintaining adequate liquidity, balanced ALM, efficient operations, robust asset quality and digitalize processes and system.

Our Company committed Rs. 12 Lakhs to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) and to local government and organizations to support the fight against the health crisis caused by COVID-19 pandemic.

June 27, 2020

