

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

Date: May 10, 2023

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

Dear Sir,

Subject: Press Release –March 2023

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached revised press release with respect to Audited Financial Results for the quarter and financial year ended March 31, 2023.

The Press Release may also be accessed on the website of the Company at www.srghousing.com.

Please take note of the same.

Thanking You,

With Regards

For SRG Housing Finance Limited

Divya Kothari
Company Secretary
M No: A57307

Enclosed – a/a

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, 2023 at their meeting held on May 10, 2023.

FINANCIAL RESULTS

ANNUAL PERFORMANCE HIGHLIGHTS (FY 22-23 vs FY 21-22)

- During the year ended March 31, 2023, Company recorded the highest ever annual **Loan Disbursements of Rs. 190.73 Crore** compared with Rs. 84.89 Crore in FY22 and achieved growth of 124.68%.
- SRG Housing Finance Limited reported a **robust growth of 28.93% in Gross Loan Book with Rs. 438.36 Crore** as at March 31, 2023 (PY Rs. 340.01 Crore).
- NNPA at 0.51 % in FY23.
- **Total Income** was higher by **16.62% to Rs.93.83 Crore in FY23** as against Rs. 80.46 Crore in FY22.
- **Net Interest Margin (NIM)** is 11.33 % in FY23.
- **Shareholders Fund rose by 17.16% to Rs. 133.26 in FY 23. (PY Rs. 113.74 cr)**
- **NII increase from Rs. 42.40 cr in FY 22 to Rs. 44.11 cr in FY 23.**
- **Number of branches increased by nearly 70% from 37 branches to 62 branches**

QUARTER PERFORMANCE HIGHLIGHTS (Q4 FY 22-23 vs Q4 FY 21-22)

- Highest ever Disbursement in a quarter Rs 79.14 cr up by 136.03% from Rs. 33.53 in Q4 FY 22.
- **Interest Income** is up by 17.19 % to Rs. 22.17 Crore in Q4FY23 as against Rs. 19.55 Crore in Q4FY22.
- **Loan Sanctions** for the Q4FY23 stood at Rs. 84.91 Crore vs. Rs. 39.14 Crore in Q4FY22 up by 116.94%.
- **Net Interest Margin** is at 2.90 % in Q4FY23 as compared to 3.49% in Q4FY22.

MANAGEMENT COMMENTARY

Commenting on the company's financial performance Mr. Vinod K. Jain, Managing Director of the company stated that "With risks related to Covid now way behind us, during the year we decided to focus on expanding our branch network which has led to strong disbursement led AUM growth. This growth was driven by increase in disbursements from new as well as old branches. Our loan disbursement of Rs.79 crore during the quarter and Rs.191 cr during the year has helped deliver on our best ever year in the last decade on business metrics. With an aggressive branch expansion already done during the year FY 23, we expect Cost to Income ratio to normalise to 50-55% levels from the current elevated levels of more than 61%.

We are confident of maintaining our exit run rate (for disbursements) of Q4FY23 through FY24 as well, thereby aiming to grow our disbursements by Rs 250-300 cr in FY24. We will also look to expand our branch network by 10-15 branches every year for the next 3-4 years in existing as well as new geographies with similar borrower profile. We are aiming for Rs 1000 cr AUM within the next 3-4 years and are fairly confident than ever before of achieving this, keeping our core business principles and fundamentals intact. Our enabling infrastructure, technology and management capabilities are in place to help us get to this mark."

Particulars	FY23	FY22	Q4FY23	Q4FY22
Gross Loan Assets (AUM)	438.36	340.01	438.36	340.01
Loan Disbursement	190.73	84.89	79.14	33.53
Total Income	93.83	80.46	26.45	22.57
Net interest income(NII)	44.11	42.40	12.00	11.72
NIM (%) on Gross AUM	11.33	12.74	2.90	3.49
Profit Before tax (PBT)	21.04	25.53	5.37	7.25
Profit after tax (PAT)	17.06	20.32	4.18	5.76
EPS(Rs)	13.12	15.63	3.21	4.43
Total Equity	133.26	113.74	133.26	113.74
Book Value (per share)	102.51	87.49	102.51	87.49
Gross NPA (%)	2.50	2.47	2.50	2.47
Net NPA (%)	0.51	0.42	0.51	0.42

LENDING OPERATIONS

- The **Gross Loan Portfolio** in FY23 amounted at Rs. 438.36 Crore as against Rs. 340.01 Crore in FY22.
- **Loan Mix:**

Product wise:-

Loan type	Housing Loan		LAP		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
FY23	289.93	66.14%	148.43	33.86%	438.36
FY22	221.37	65.11%	118.64	34.89%	340.01

Occupation wise:-

	Self Employed		Salaried		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
FY23	333.82	76.15%	104.54	23.85%	438.36
FY22	265.98	78.23%	74.03	21.77%	340.01



Demography wise:

	Rural		Urban		Total
	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)	Percent	Amount (Rs. In Cr)
FY23	401.06	91.49%	37.30	8.51%	438.36
FY22	283.28	83.32%	56.73	16.68%	340.01

➤ **Offering Mix : FY23**

Particulars	LTV (%)	Disbursement (Rs. Cr.)	Average Ticket Size (Rs. Lakhs)	Yield (%)
Housing loan	40.10	118.97	5.00	23.12%
Loan Against Property	37.88	71.77	10.27	22.58%

- The **Loan to Value Ratio (LTV)** of AUM at ~40% 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:** GNPA is 2.50 % in FY23.

FINANCIALS

- The **Net Interest Margin to Average Earning Assets** in FY23 was at 11.33 % as against 12.74% of FY22.
- **Total Net Worth** as on March 31, 2023 is Rs. 133.26 Crore as against Rs. 113.74 as on FY22
- The **Return on Average Equity (ROAE)** as on March 31, 2023 is at 13.81 %.
- The **Cost to income ratio** in FY23 is 59.05 % .
- **Capital Adequacy Ratio** as on March 31, 2023 stood at 36.44% out of which tier I capital 36% and tier II capital was 0.44%.

FUNDING

Borrowing in FY23 was Rs. 357.24 Crore vs Rs. 286.63 Crore in FY22. The Company availed Rs. 177.40 cr. in FY 23 out of which 31 % from PSU Banks, 14.09% from NHB, 46.45% from FI and 8.46% from private Banks.



Borrowing Mix:

Borrowing Profile (%)	FY23	FY22
Banks (%)	33.59	40.53
NCD (%)	12.95	18.04
FI (%)	42.50	32.36
NHB (%)	10.96	9.07

BUSINESS PRESENCE

SRG is operating through its presence in 5 states through 62 branches as on date. It has offices in Rajasthan (28), Madhya Pradesh (17), Gujarat (15), Maharashtra (1) and Delhi (1). Its Registered office is in Udaipur, Rajasthan and corporate office is situated in Mumbai, Maharashtra.

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*