

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

Date: 15.11.2018

To,
The GM (Listing)
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Respected Sir/Madam,

Subject: Performance Highlights Q2FY19

With reference to above, we hereby provide the Performance Highlights for the Quarter Ended September 30, 2018.

Kindly take the same on record and acknowledge receipt.

Thanking You,

With Regards,

For SRG Housing Finance Limited


Vinod K. Jain
(Managing Director)
DIN: 00248843



SRG HOUSING FINANCE LIMITED

Q2FY19 PERFORMANCE HIGHLIGHTS

November 2018

सबके पास
अपना आवास



SRG
SRG HOUSING FINANCE LTD
Always with you

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This presentation may contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words ‘may’, ‘will’, ‘should’, ‘expects’, ‘plans’, ‘intends’, ‘anticipates’, ‘believes’, ‘estimates’, ‘predicts’, ‘potential’ or ‘continue’ and similar expressions identify forward looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward looking statements could include, amongst others, future changes or developments in (i) the Company’s business, (ii) the Company’s competitive environment, and (iii) political, economic, legal and social conditions in India.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates.

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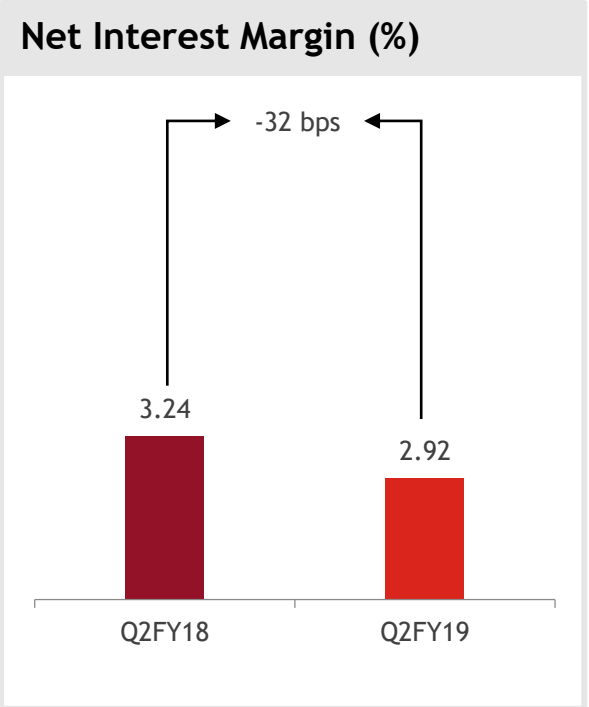
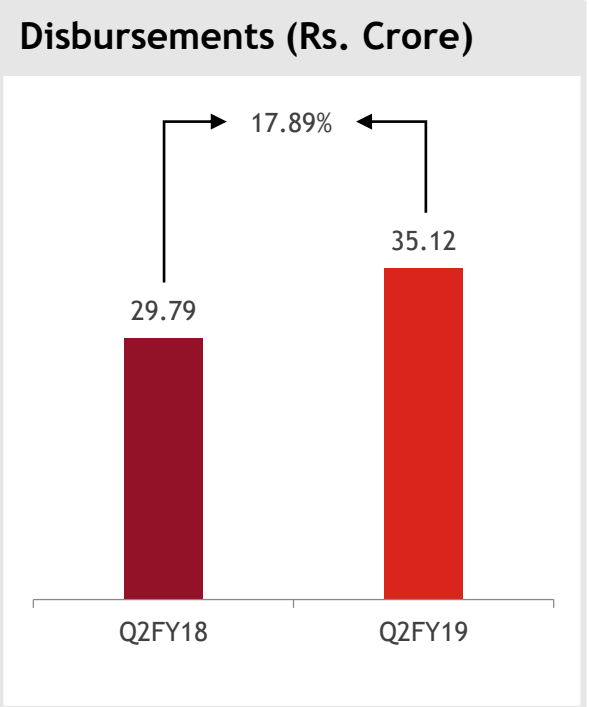
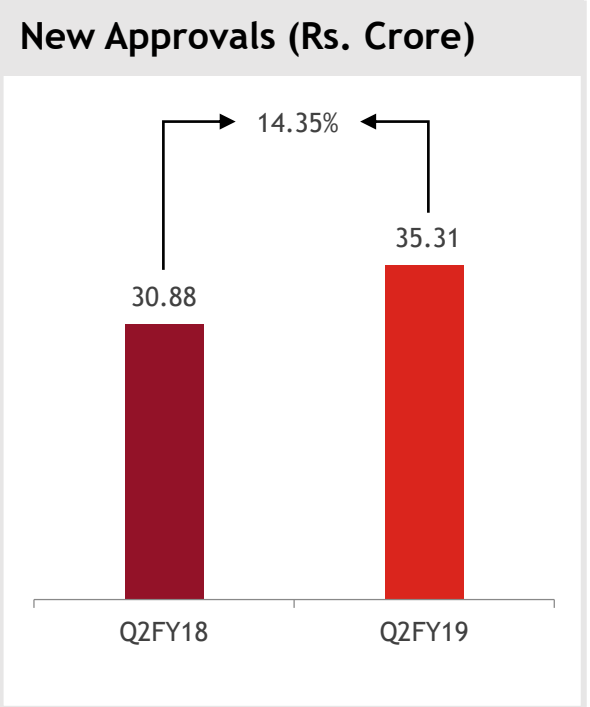
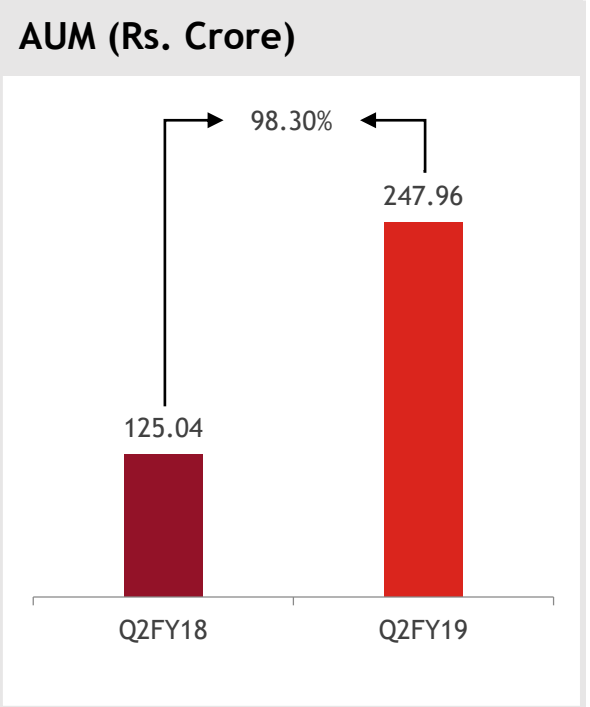
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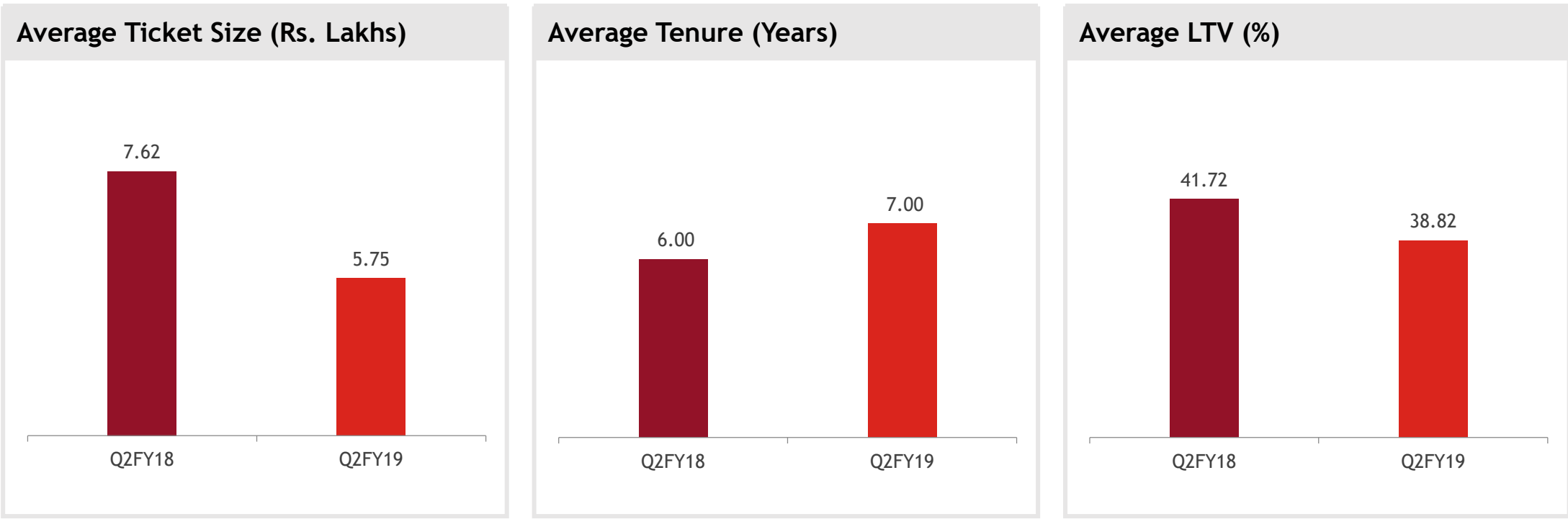
Result Highlights



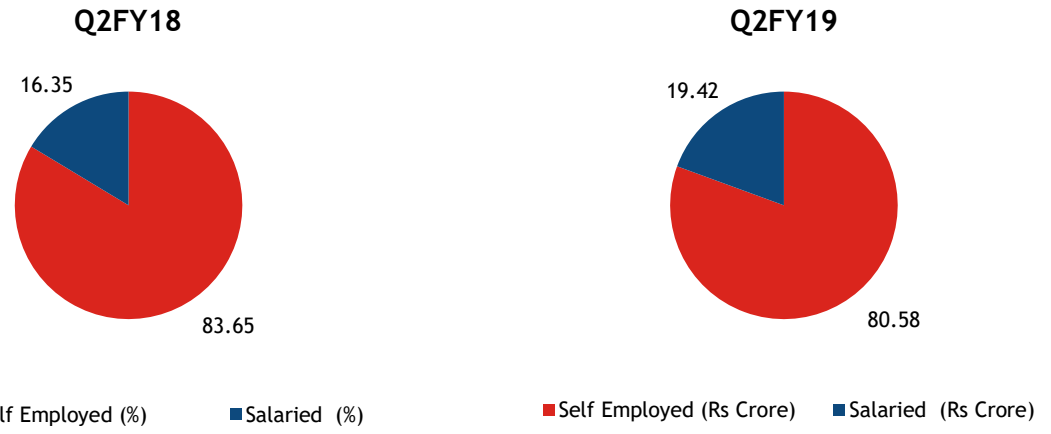
Q2FY19 Financial Highlights



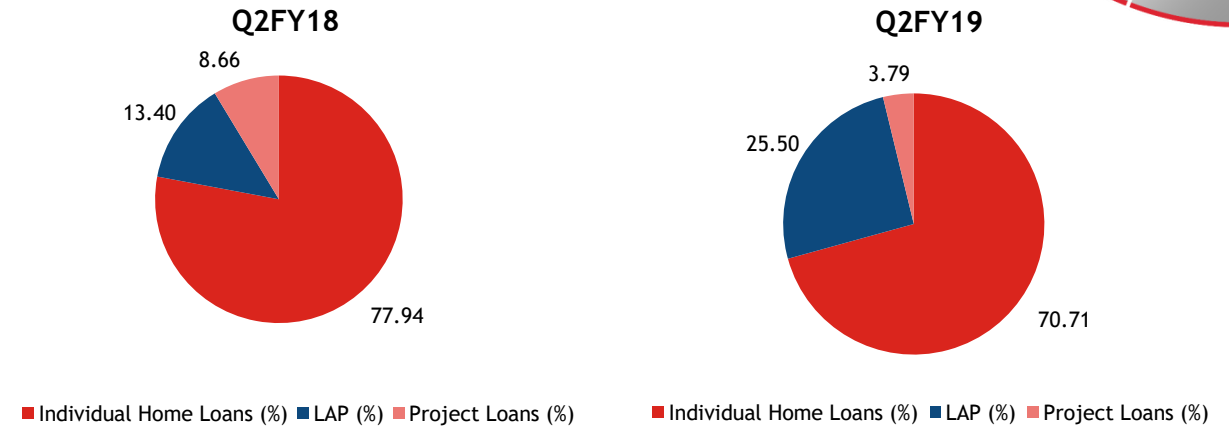
Q2FY19 Financial Highlights



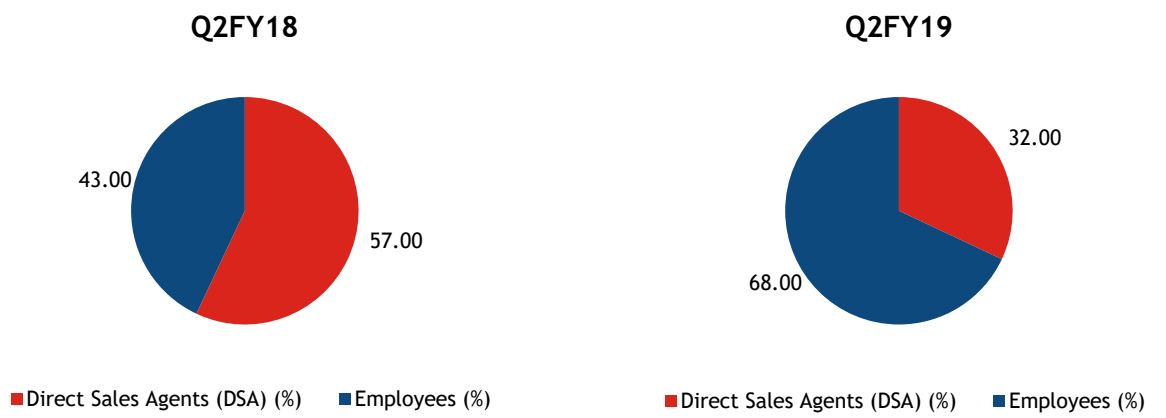
Business Profile & Mix



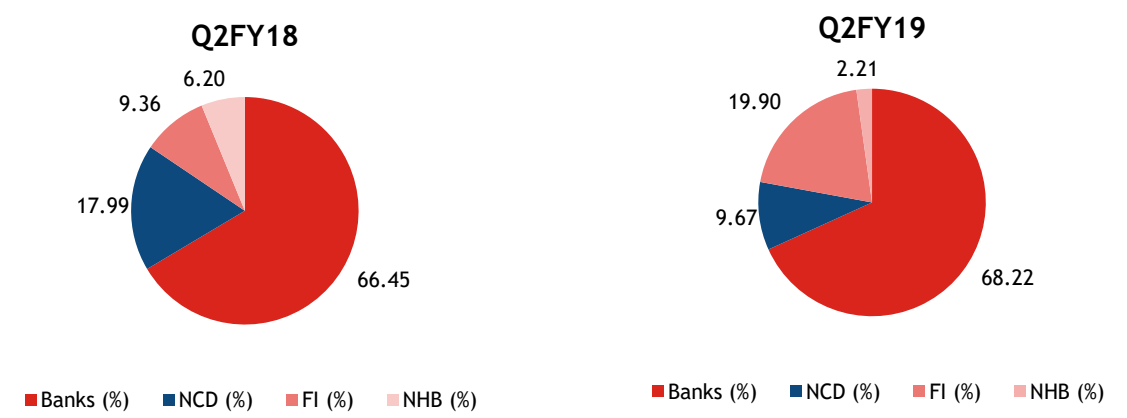
Customer Profile - Loan Book



Loan Book

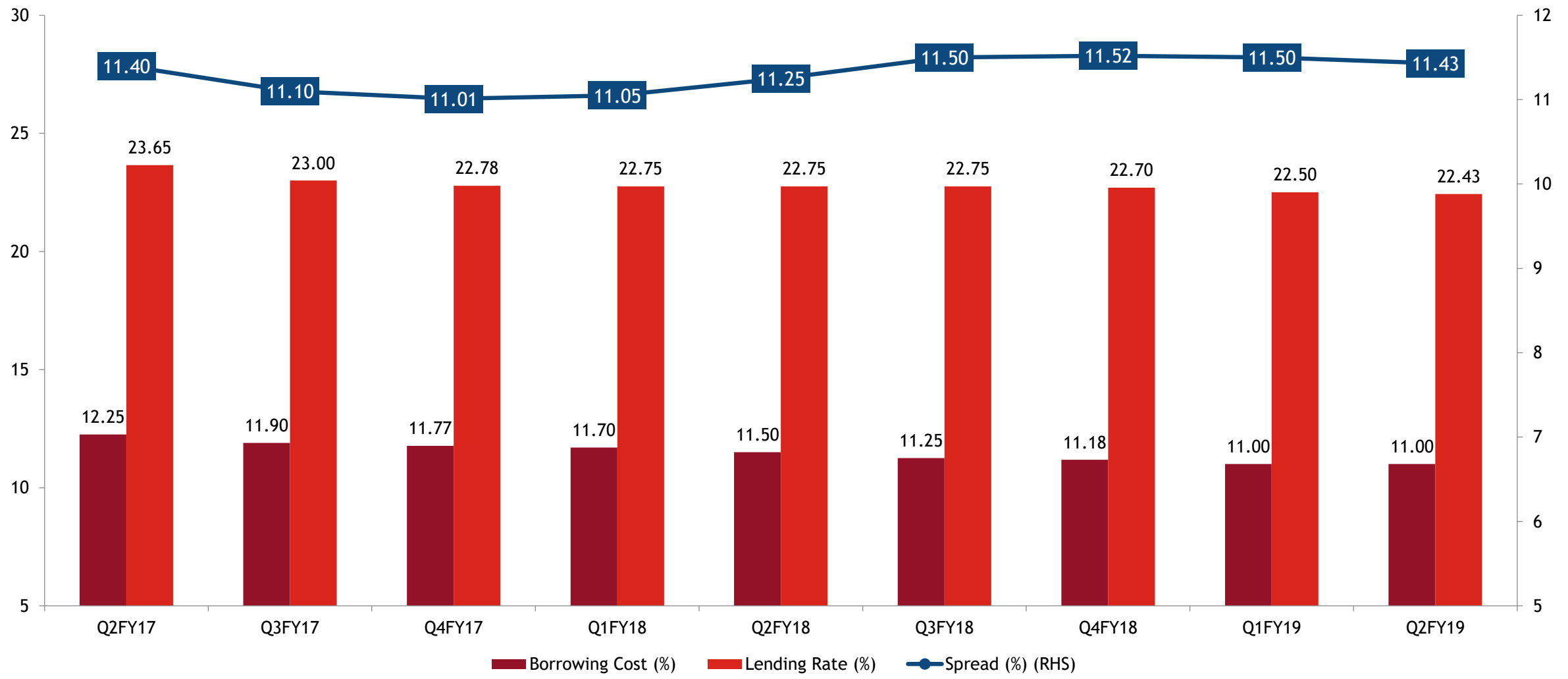


Business Origination



Borrowing Mix

Loan Spreads - Steady Over Last 8 Quarters



Financial Table



Rs. Crore	Q2FY19	Q2FY18	Change (%)	1HFY19	1HFY18	Change (%)
Interest Income	12.73	6.38	99.52	24.30	11.73	107.16
Financial Cost	5.22	2.34	123.15	10.13	4.54	123.17
Non Interest Income	1.44	1.04	38.68	2.70	1.66	62.79
Operating Expenses	2.97	2.14	38.83	5.59	3.52	58.84
Depreciation	0.15	0.11	32.73	0.26	0.19	34.74
Profit Before Tax (PBT)	5.83	2.83	106.11	11.02	5.14	114.45
Taxes	1.72	0.93	84.67	3.14	1.69	85.64
Profit After Tax (PAT)	4.11	1.90	116.61	7.88	3.45	128.57
*Earnings Per Share (EPS Rs.)	3.17	1.46	117.12	6.07	2.65	129.06

Provisions for Q1FY19 & Q2 FY19 were routed through Balance Sheet. From Q3FY19, provisions will be routed through P&L and accordingly figures shall be reported.

Profit & Loss Statement - Quarterly



Rs. Crore	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Interest Income	3.53	4.15	5.35	6.38	7.87	9.92	11.57	12.73
Financial Cost	1.5	1.58	2.20	2.34	2.86	3.87	4.91	5.22
Non Interest Income	0.02	0.48	0.62	1.04	1.55	1.57	1.26	1.44
Operating Expenses	1.26	1.63	1.38	2.14	3.3	2.58	2.62	2.97
Depreciation	0.08	0.14	0.08	0.11	0.13	0.11	0.11	0.15
Profit Before Tax (PBT)	0.71	1.28	2.31	2.83	3.13	4.93	5.19	5.83
Taxes	0.23	0.42	0.76	0.93	0.60	1.29	1.42	1.72
Profit After Tax (PAT)	0.48	0.86	1.55	1.90	2.53	3.64	3.77	4.11

Key Metrics								
Net Interest Income (NII Rs. Crore)	2.03	2.57	3.15	4.04	5.01	6.05	6.66	7.51
Net Interest Margin (%)	2.75	2.68	2.84	3.24	3.26	3.14	2.87	2.92
Gross NPA (% AUM)	1.10	1.57	1.32	1.27	1.27	1.50	1.76	1.72
Net NPA (% AUM)	0.57	1.21	0.62	0.69	0.64	0.50	0.50	0.47
Return on Average Assets (RoAA %)	0.65	0.90	1.40	1.53	1.64	1.89	1.63	1.60
Return on Average Equity (RoAE %)	2.71	3.31	4.49	5.28	6.65	9.03	8.78	8.91
Earnings per share (EPS Rs.)	0.43	0.75	1.19	1.46	1.95	2.80	2.90	3.17
Cost to income Ratio (%)	65.37	58.03	38.73	44.29	52.29	35.30	34.47	34.83

Extract of Liquidity Position till March 2019

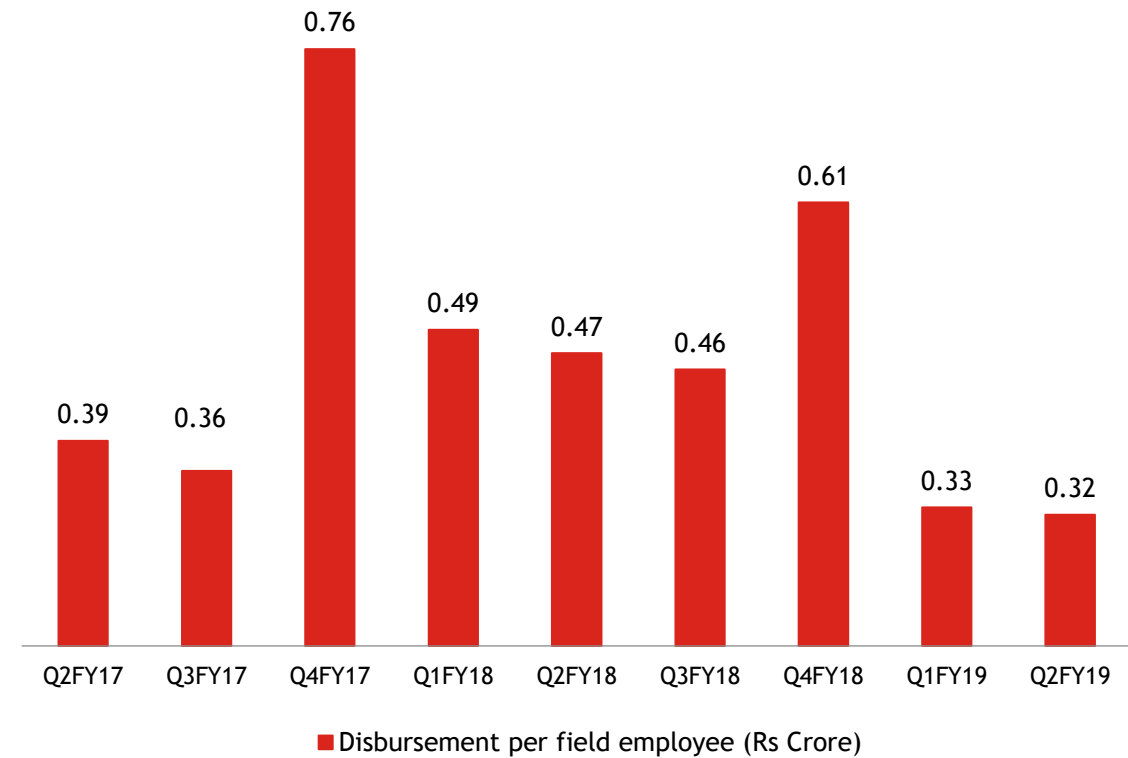
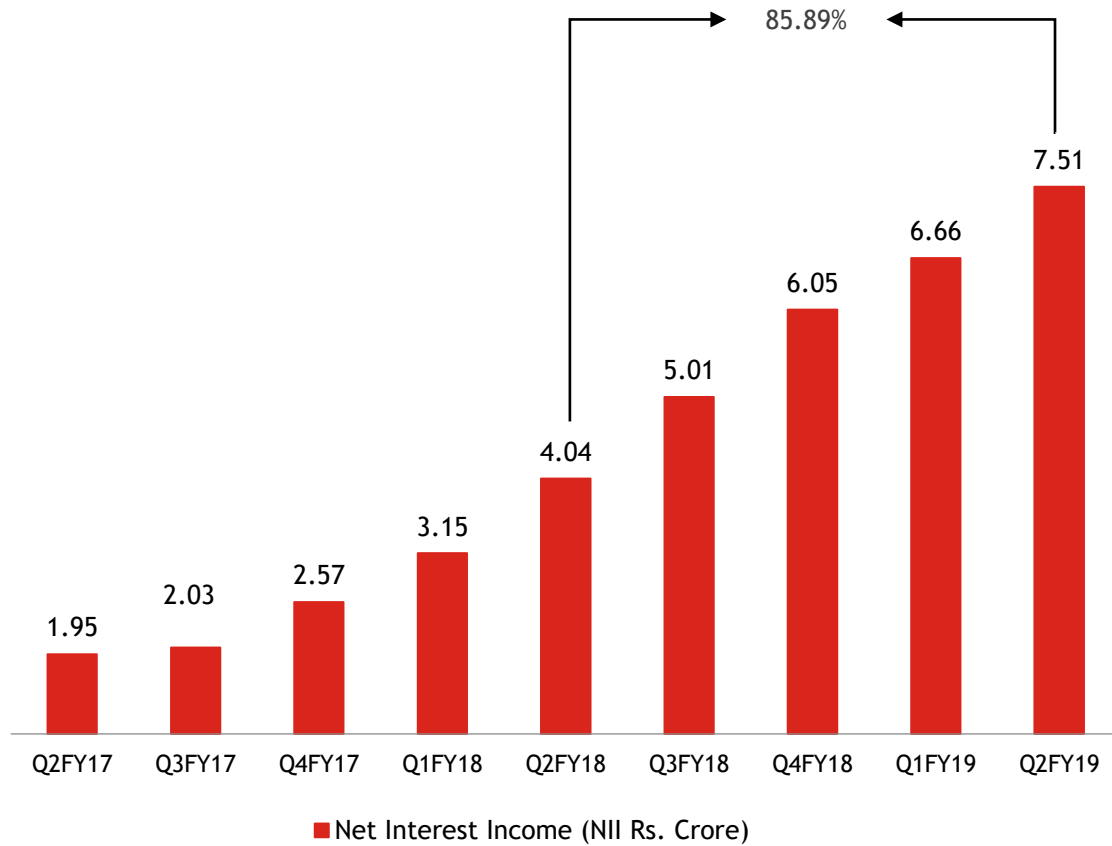


Particulars	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Cash and Cash equivalents*	2.37	3.92	6.44	9.43	10.72	12.64
Current Investments	0.42	0.42	0.42	0.42	0.42	0.42
Inflows						
EMI / PEMI (excluding prepayments)	6.52	7.02	7.43	6.51	6.69	6.99
Total Inflows	9.31	11.36	14.29	16.35	17.84	20.05
Outflows						
Bank / FI Loans (Interest + Principal)	4.78	4.31	4.26	5.02	4.60	4.57
NCD (Interest + Principal)	0.61	0.61	0.60	0.61	0.60	0.58
Commercial Papers	0.00	0.00	0.00	0.00	0.00	0.00
Total Outflows	5.39	4.92	4.86	5.63	5.20	5.15
Surplus	3.92	6.44	9.43	10.72	12.64	14.90

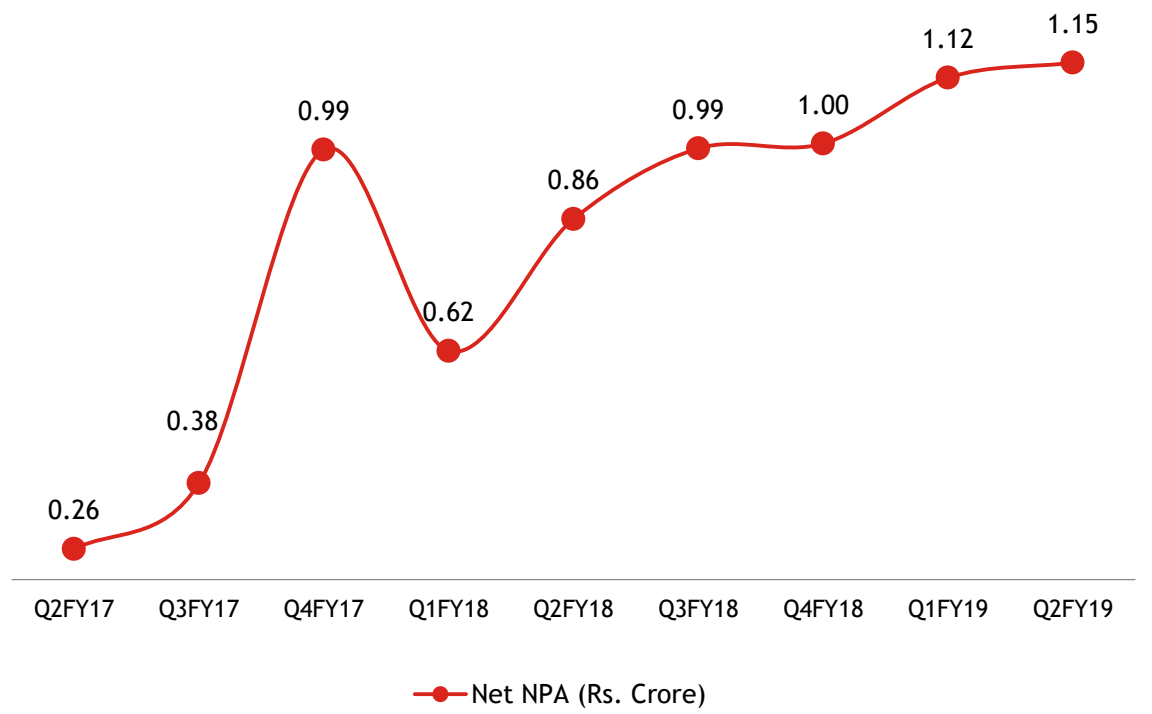
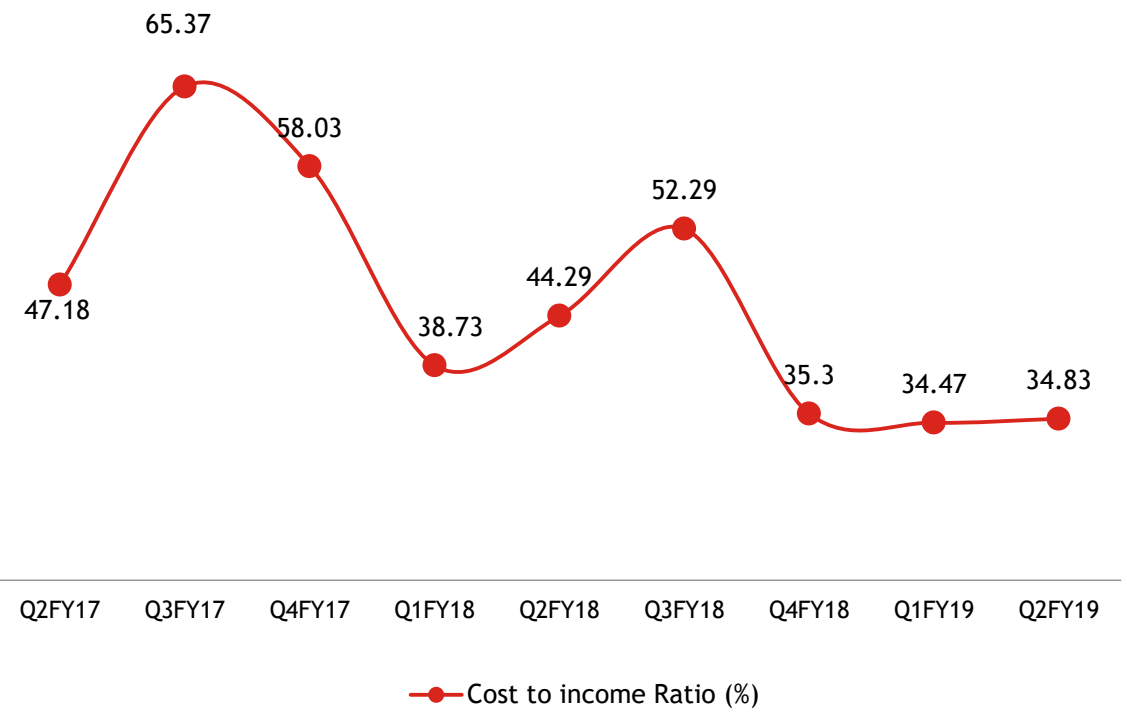
- Cash and cash equivalents does not includes FDR's amounting to Rs. 9.35 Cr. Pledged with Lenders.
- ^Undrawn bank loans amounting to Rs. 42 Crores

Liquidity to remain in surplus even without considering any resource mobilization

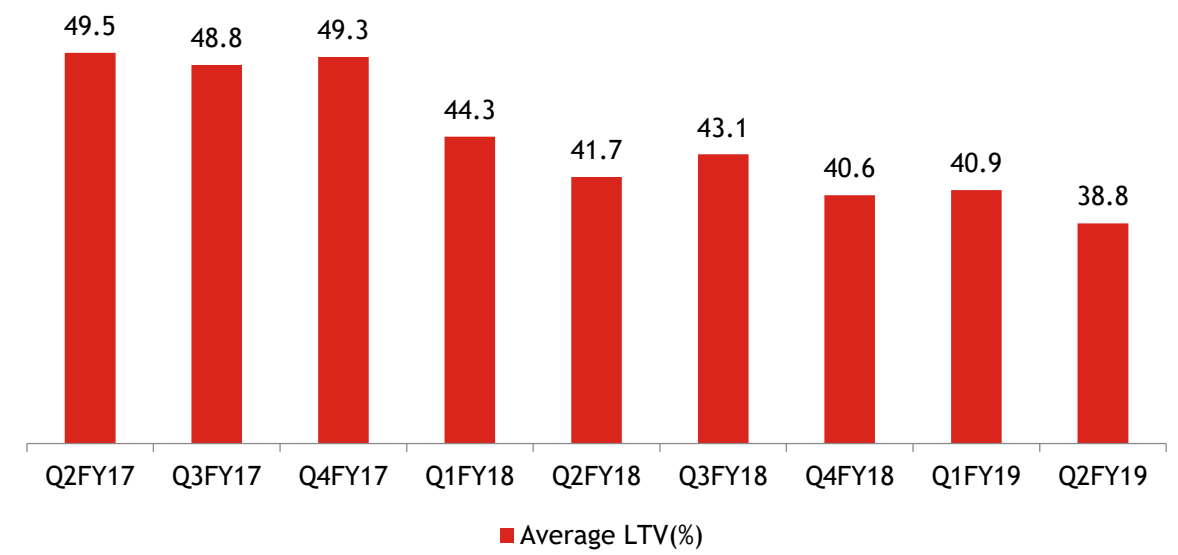
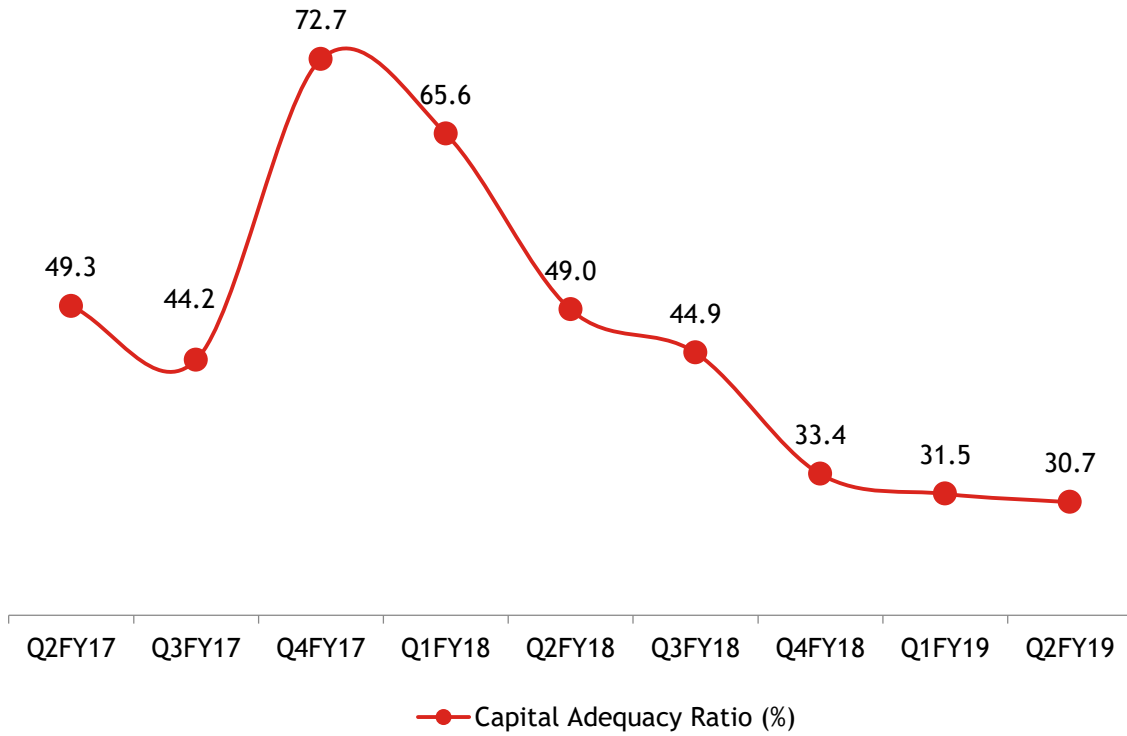
Net Interest Income On A Rise



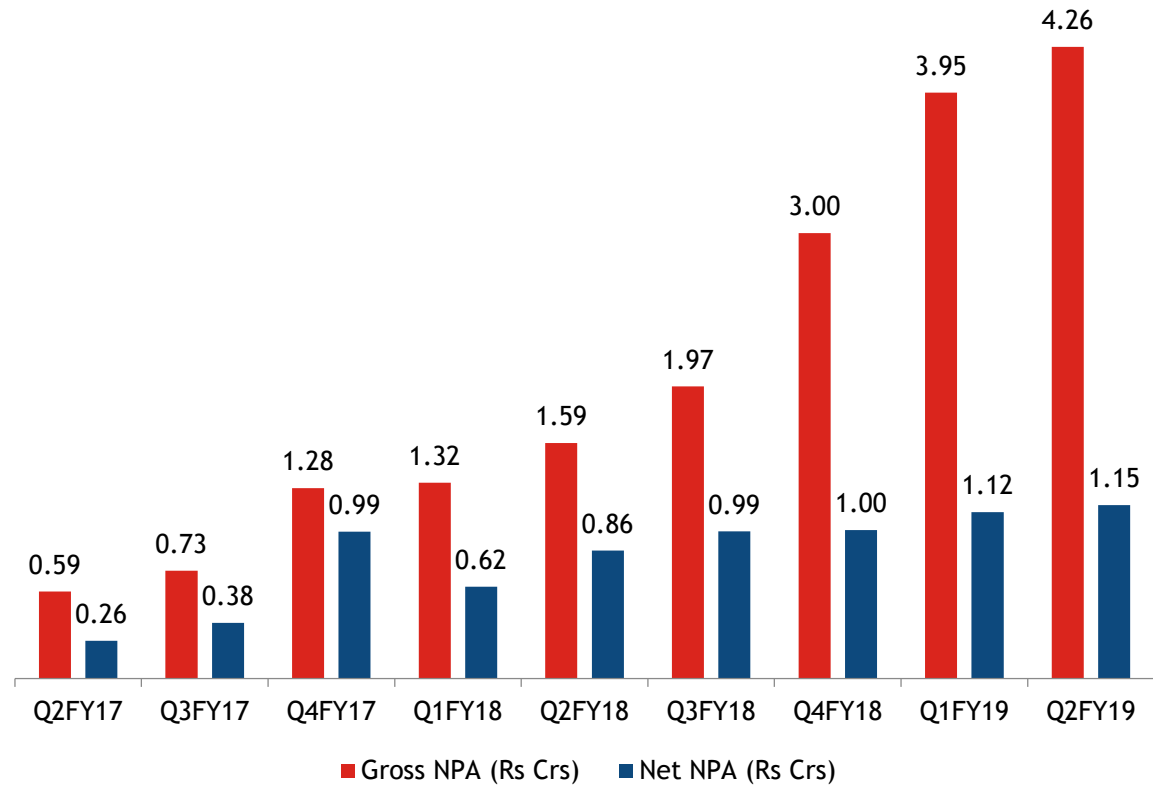
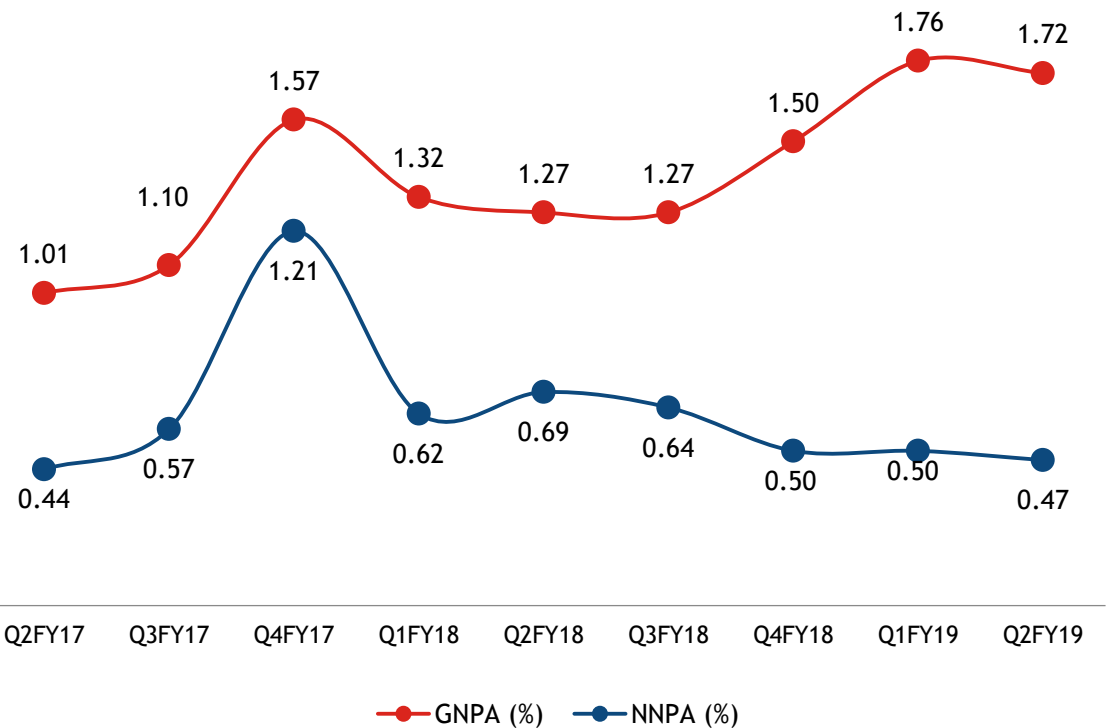
Cost Efficiencies & Net NPA's



Capital Adequacy Ratio & Average Loan To Value (LTV)



Net NPA is tapering



Our Business Presence



RAJASTHAN (19)

Banswara	Bhilwara	Jaipur
Sagwara	Aspur	Fatehnagar
Salumber	Ajmer	Chittogarh
Rajsamand	Kota	Sumerpur
Dungarpur	Sirohi	Bijainagar
Bhinder	Jodhpur	Phalodi
Udaipur		

MADHYA PRADESH (6)

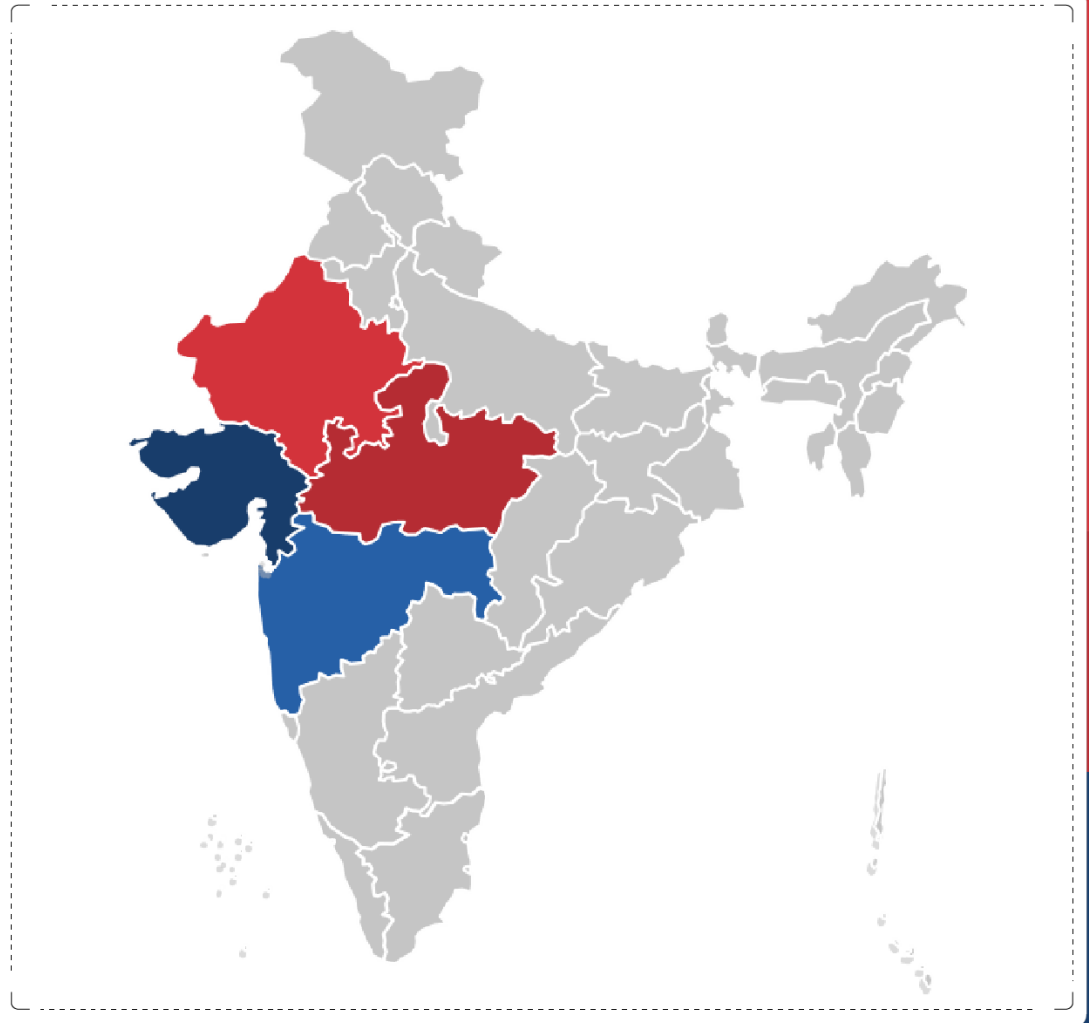
Mandsaur	Ratlam	Manasa
Neemuch	Shamgarh	Ujjain

GUJARAT (6)

Ahemdabad	Surat	Vadodara
Palanpur	Mehsana	Nadiad

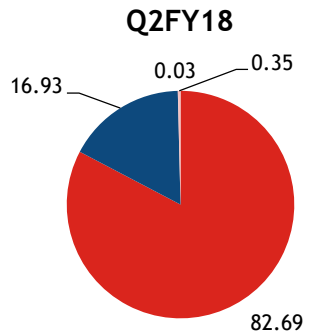
MAHARASHTRA (1)

Mumbai

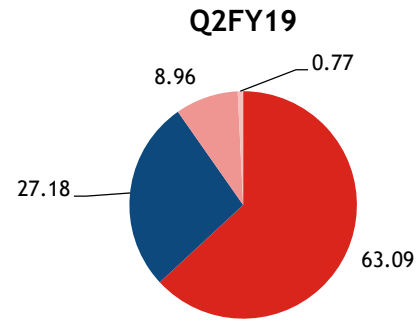


Note: 5 new branches are coming soon in the state of Madhya Pradesh and Rajasthan

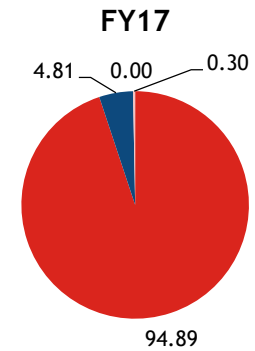
State-Wise Branches & Loan Portfolio



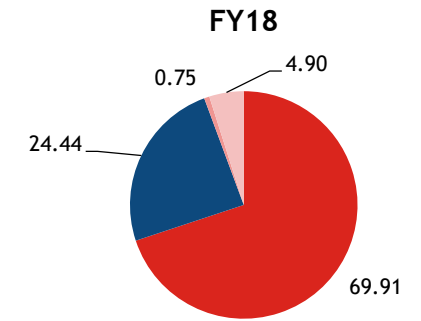
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■ Rajasthan ■ Madhya Pradesh ■ Gujarat ■ Maharashtra



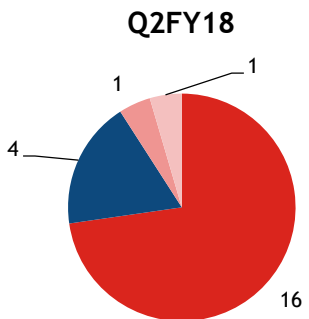
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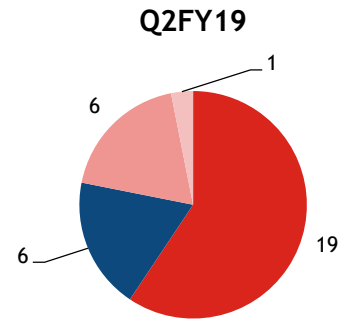
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State-Wise Loan Book (%) - Quarterly

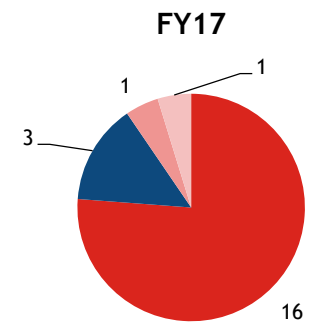
State-Wise Loan Book (%) - Annual



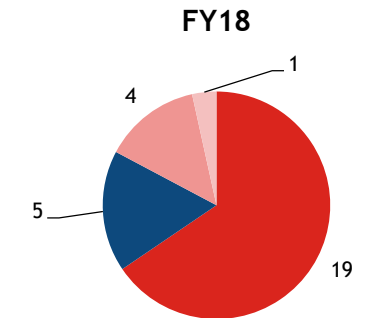
■ Rajasthan ■ Madhya Pradesh ■ Gujarat ■ Maharashtra



■ Rajasthan ■ Madhya Pradesh ■ Gujarat ■ Maharashtra



■ Rajasthan ■ Madhya Pradesh ■ Gujarat ■ Maharashtra

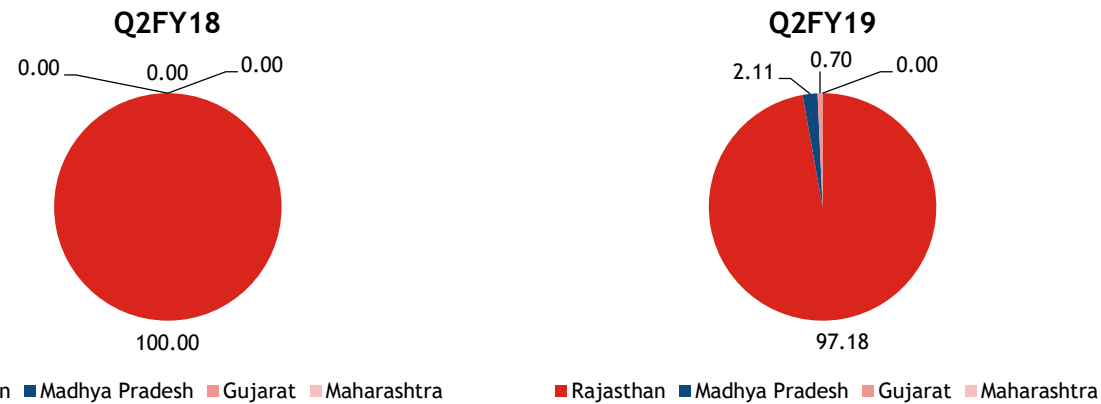


■ Rajasthan ■ Madhya Pradesh ■ Gujarat ■ Maharashtra

State-Wise Branches - Quarterly

State-Wise Branches - Annual

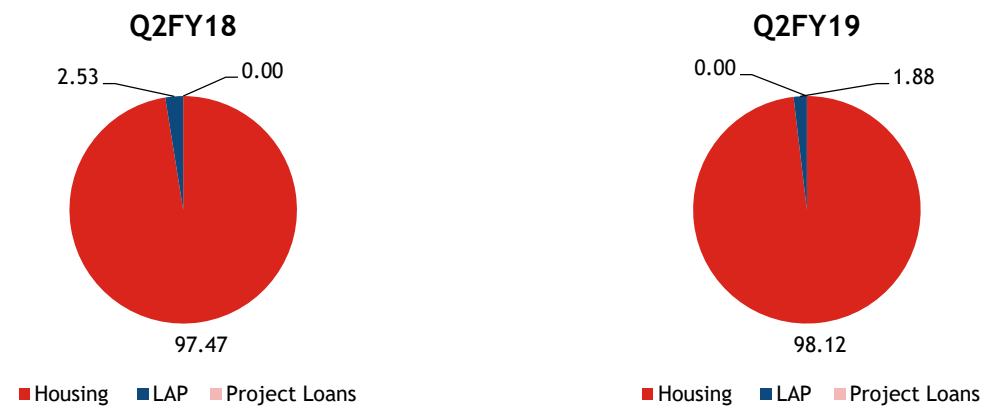
State, Segment & Product-Wise NPA



State-Wise NPA (%) - Quarterly

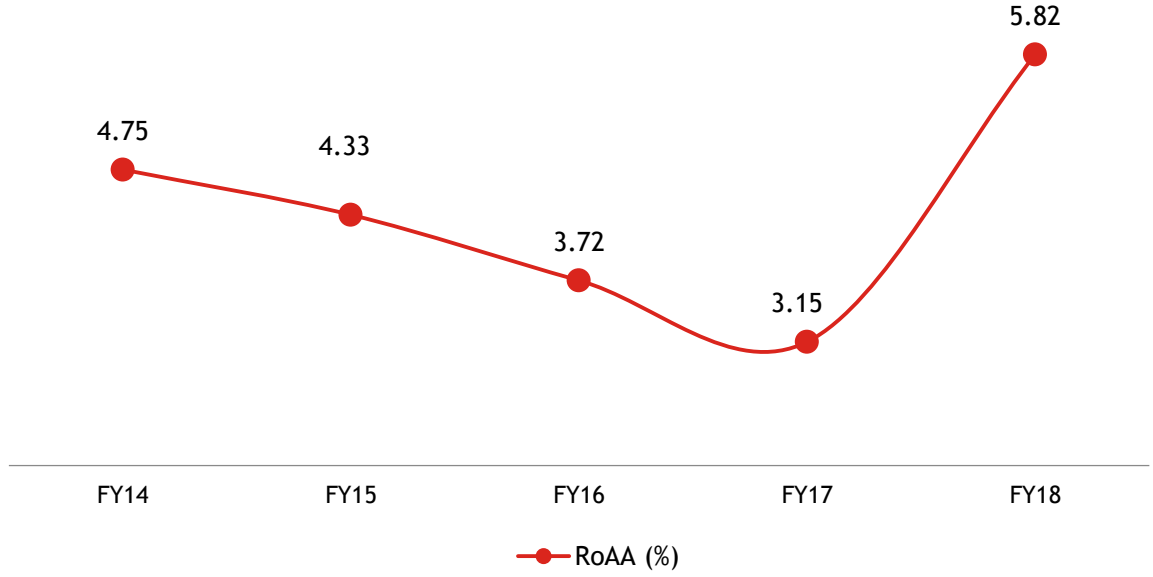
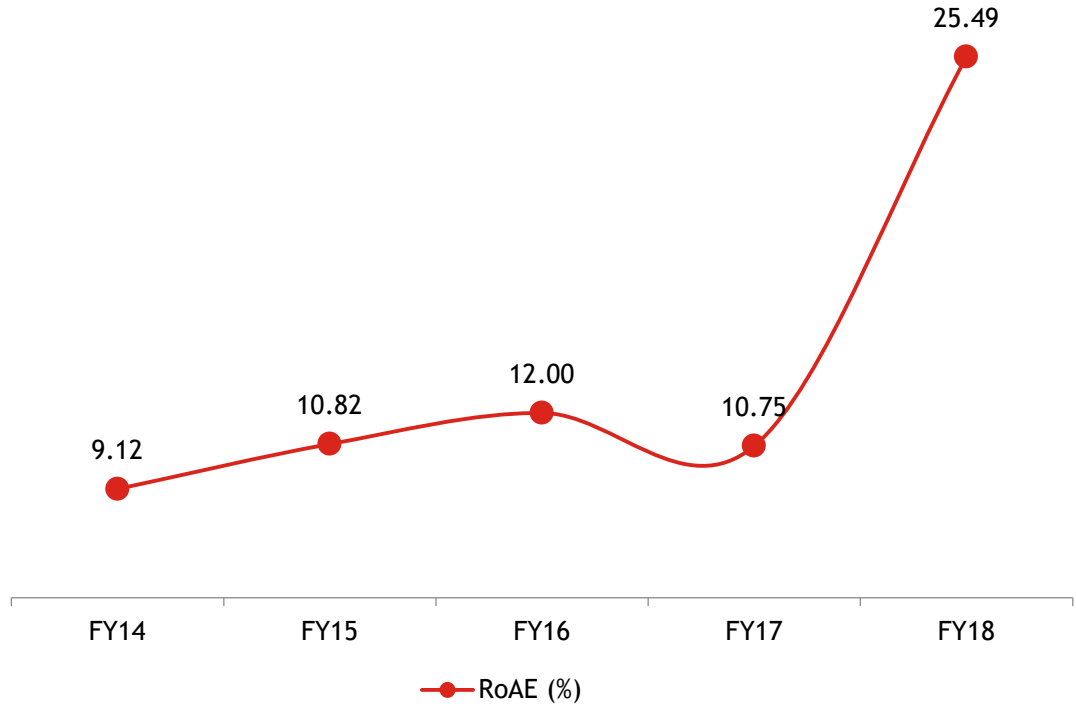


Segment-Wise NPA (%)



Product-Wise NPA (%) - Quarterly

Strong improvement return profile



Profit & Loss Statement



Rs. Crore	FY14	FY15	FY16	FY17	FY18
Interest Income	4.74	6.84	10.2	14.04	29.39
Financial Cost	1.33	2.39	4.04	5.74	11.27
Non Interest Income	0.00	0.03	0.05	0.51	4.87
Operating Expenses	1.66	2.13	3.35	4.47	9.35
Depreciation	0.05	0.07	0.08	0.31	0.44
Profit Before Tax (PBT)	1.69	2.26	2.76	4.02	13.19
Taxes	0.50	0.73	0.90	1.32	3.58
Profit After Tax (PAT)	1.19	1.53	1.86	2.71	9.62

Key Financial Ratios					
Net Interest Income (NII Rs. Crore)	3.41	4.45	6.17	8.30	18.12
Net Interest Margin (%)	13.58	12.55	12.30	9.67	10.97
AUM (Rs. Crore)	26.40	38.68	53.28	81.83	200.28
New Approvals (Rs. Crore)	17.18	30.13	27.07	51.53	145.96
Disbursements (Rs. Crore)	16.11	25.39	27.31	47.37	142.82
Borrowing Cost (%)	12.90	13.15	13.15	11.61	10.56
Lending Rate (%)	23.67	23.15	23.23	22.58	22.08
Spread (%)	10.77	10.00	10.08	10.97	11.52
Cost/Income Ratio (%)	50.14	49.33	55.23	53.44	42.78
Gross NPA (% AUM)	0.96	1.04	1.01	1.57	1.50
NNPA (% AUM)	0.73	0.76	0.70	1.21	0.50
Return on Average Assets (RoAA %)	4.75	4.33	3.72	3.15	5.82
Return on Average Equity (RoAE %)	9.12	10.80	12.00	10.75	25.49
Earnings per share (EPS Rs.)	1.48	1.43	1.65	2.38	7.40

Balance Sheet

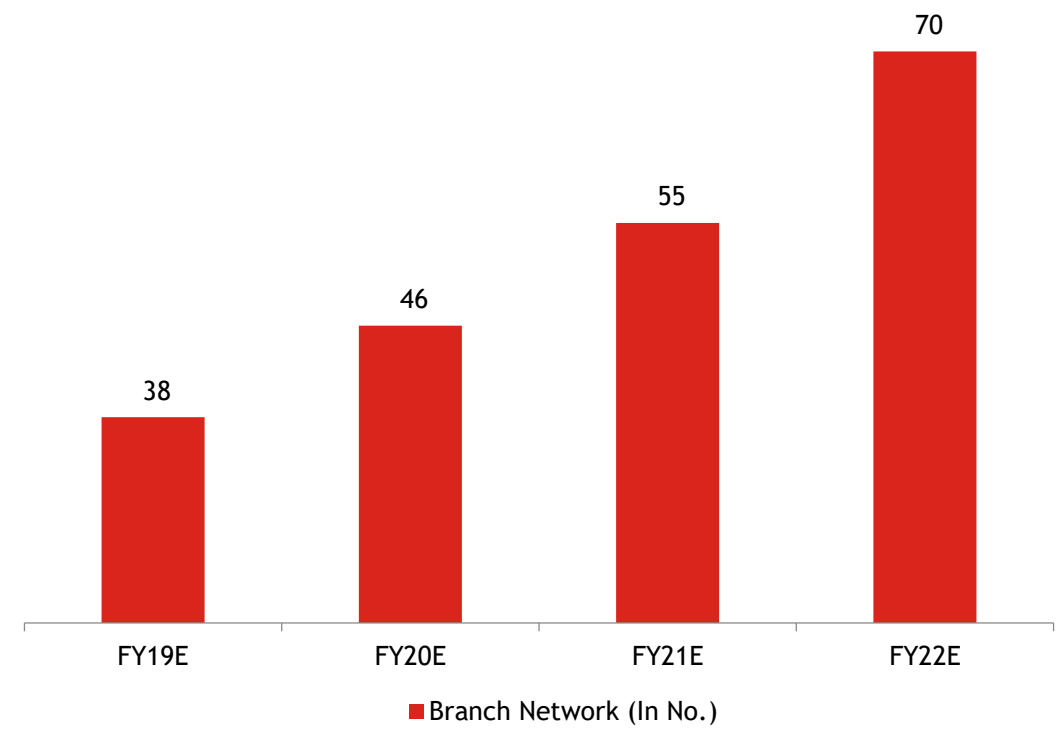
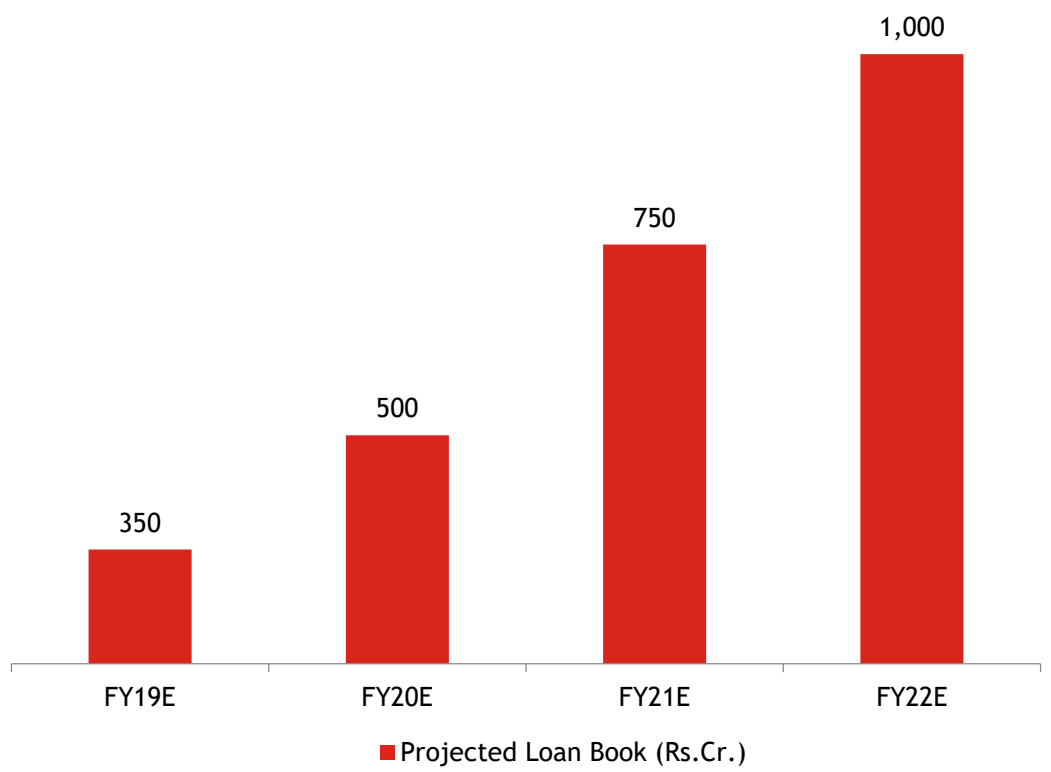


Rs. Crore	FY14	FY15	FY16	FY17	FY18
Assets					
Loans	26.40	38.68	53.28	81.83	200.28
Total Investments	0.00	0.00	0.84	0.32	0.42
Other Assets	3.56	2.23	5.23	30.30	17.04
Total Assets	29.96	40.91	59.35	112.45	217.74
Equity & Liabilities					
Shareholders' Funds	13.68	14.71	16.40	33.97	41.50
Borrowings	15.52	24.89	41.29	75.04	166.96
Liabilities & Provisions	0.76	1.31	1.66	3.44	9.28
Total Equity & Liabilities	29.96	40.91	59.35	112.45	217.74
Productivity Ratios					
Number of Employees	19	18	35	55	140
Nos of Branches	9	9	15	19	29
Profit Per Employee (Rs. Crore)	0.06	0.09	0.05	0.05	0.07
Asset Per Employee (Rs. Crore)	1.39	2.15	1.52	1.49	1.43
Financial Metrics					
Pre-Tax ROAA (%)	6.76	6.40	5.52	4.69	7.99
Post-Tax ROAA (%)	4.75	4.33	3.72	3.15	5.82
Return on Average Equity (ROAE %)	9.12	10.80	12.00	10.75	25.49
Capital Adequacy Ratio (%)	61.30	50.34	49.91	72.71	33.38



Outlook

Vision 2022



Targeting 5x AUM growth and 2x branch network growth



Strong levers in place

- The geographical expansion is on track, targeting to 38 branches by FY19E vs. 29 branches in FY18
- The demand for houses in rural exceeds the supply, widening the shortage as housing constructions targets are unmet
- Recent upgrade in credit ratings to facilitate in lowering borrowing cost by 25-50 bps
- Plans to raise equity in FY19 to reach comfortable base of Rs.100 Crore - to help in getting more leverage and further improvement in credit rating
- Leveraging technology like ERP to enhance operations thus reducing turnaround time from loan origination to documentation, disbursement, etc.



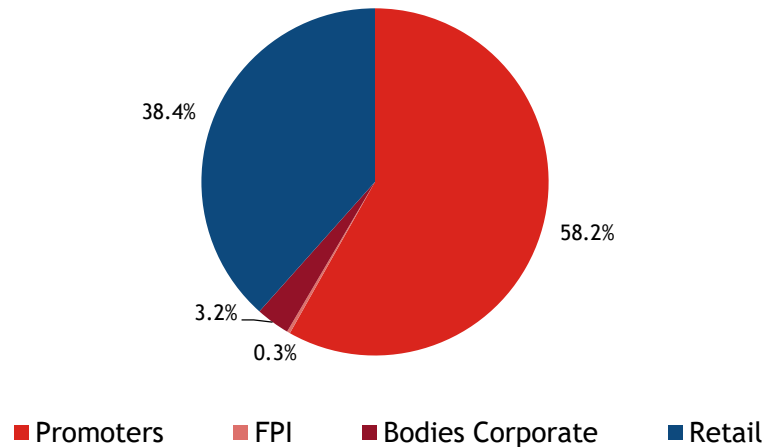
Annexure

Stock information

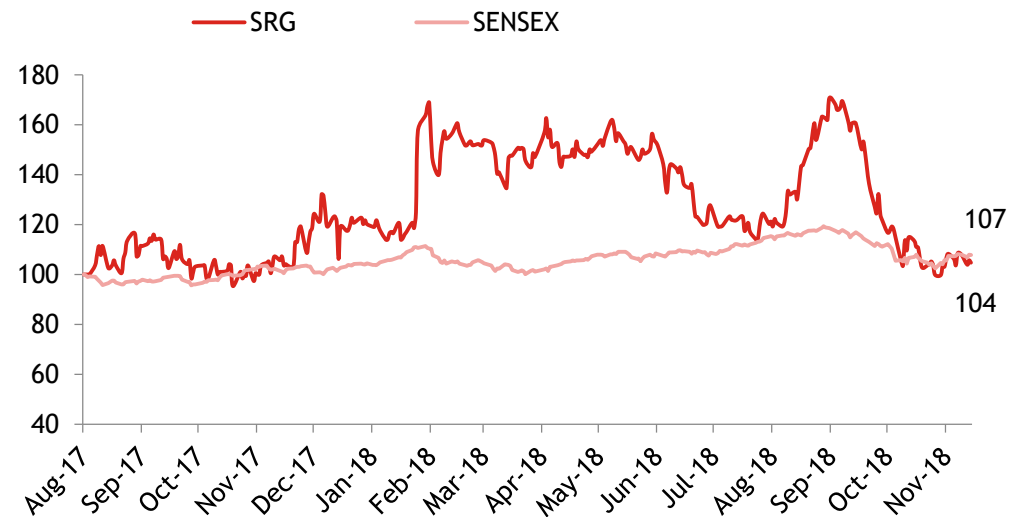


- Market cap (INR) - 262.8 Crore (As on 14th Nov 18)
- Shares outstanding - 13.0 mn (As on 30th Sep 2018)
- BSE code: 534680
- Bloomberg code: 0596730D:IN

Shareholding Pattern as on 30th Sep 2018



Relative Stock Price Vs Sensex



As on 14th Nov 2018

Contact Us



Investor Relations Contact

Ms. Sunaina Nagar (Chief Investor Relations Officer)
sunaina@srggroup.net
+91-22-62215307

Corporate Office

1046, 10th Floor, Hubtown Solaris, N.S. Phadke
Marg, Near East West Flyover, Andheri (E),
Mumbai, Maharashtra - 400 069.

Registered Office

321, S.M. Lodha Complex, Near Shastri Circle,
Udaipur, Rajasthan, 313001.
CIN No: L65922RJ1999PLC015440
www.srghousing.com
info@srghousing.com
+91-0294-2561882 / 2412609