



**GRUH  
FINANCE  
LIMITED**

*We help you build homes*

SEC: 2016  
October 13, 2016

The BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
26th Floor, Dalal Street  
Mumbai – 400 001

**BSE Code No: 11288**

**Kind Attn: General Manager - DSC**

National Stock Exchange of India Ltd.  
"Exchange Plaza",  
Bandra-Kurla Complex,  
Bandra (E ), Mumbai 400 051

**Symbol : GRUH**

**Kind Attn: Head - Listing**

Dear Sirs,

**Sub: Presentation on Financial Results – September 30, 2016**

Please find enclosed a copy of Investor Presentation for the quarter / Half year ended September 30, 2016.

Kindly find the same in order and acknowledge receipt.

Thanking you,

Yours sincerely,  
For **GRUH FINANCE LIMITED**

**MARCUS LOBO**  
Company Secretary

Encl: a/a

A subsidiary of HDFC Ltd



# GRUH

## GRUH Finance Limited

(A Subsidiary of HDFC Limited)

SEPT 2016



# GRUH PROFILE



- Promoted by HDFC & AKFED on July 21, 1986
- Commenced operations in 1988 from Ahmedabad
- A subsidiary of HDFC - Since June 2000
- Regulated by National Housing Bank (NHB) – Wholly owned subsidiary of Reserve Bank of India (RBI)
- Recognized by NHB for Refinance facility



## As on Sept. 30, 2016

- Cumulative Housing Units Financed – 3,50,722
- Cumulative Disbursement of Rs. 20,795 Cr.
- Average Loan Per Unit on Cumulative Disbursement – Rs.7.24 Lac
- Cumulative Disbursement in Rural Areas<sup>(\*)</sup> – Rs.9,640 Cr.
- Retail Network of 180 offices across 10 States.
- Consistent track record of Dividend Payout

(\*) *Rural Areas are locations where populations is less than 50,000*



## As on Sept. 30, 2016

- Outstanding Loan Assets of Rs. 12,089 Cr.
- Average Loan Outstanding Per Unit – Rs. 6.53 Lac
- Loan Disbursement during the period – Rs. 1,945 Cr.
- Average Loan Per Unit on Disbursement during the Period—Rs. 8.76 Lac
- Loan Disbursement in Rural Areas during the Period – Rs. 935 Cr. (48%)
- Gross NPAs Rs. 74.57 Cr – 0.62% of Outstanding Loan Assets of Rs. 12,089 Cr.
- Net NPAs Rs.35.59 Cr (0.29%)



# Ratings

- Public Deposits :
  - ‘MAAA’ by ICRA and
  - ‘FAAA’ by CRISIL
- Non-Convertible Debentures : ‘AAA (Stable)’ by ICRA and CRISIL
- Subordinated NCD: ‘AAA (Stable)’ by ICRA and CRISIL
- Commercial Paper : ‘A1+’ by ICRA and CRISIL

“These rating indicates high safety with regard to timely payment of interest and principal”

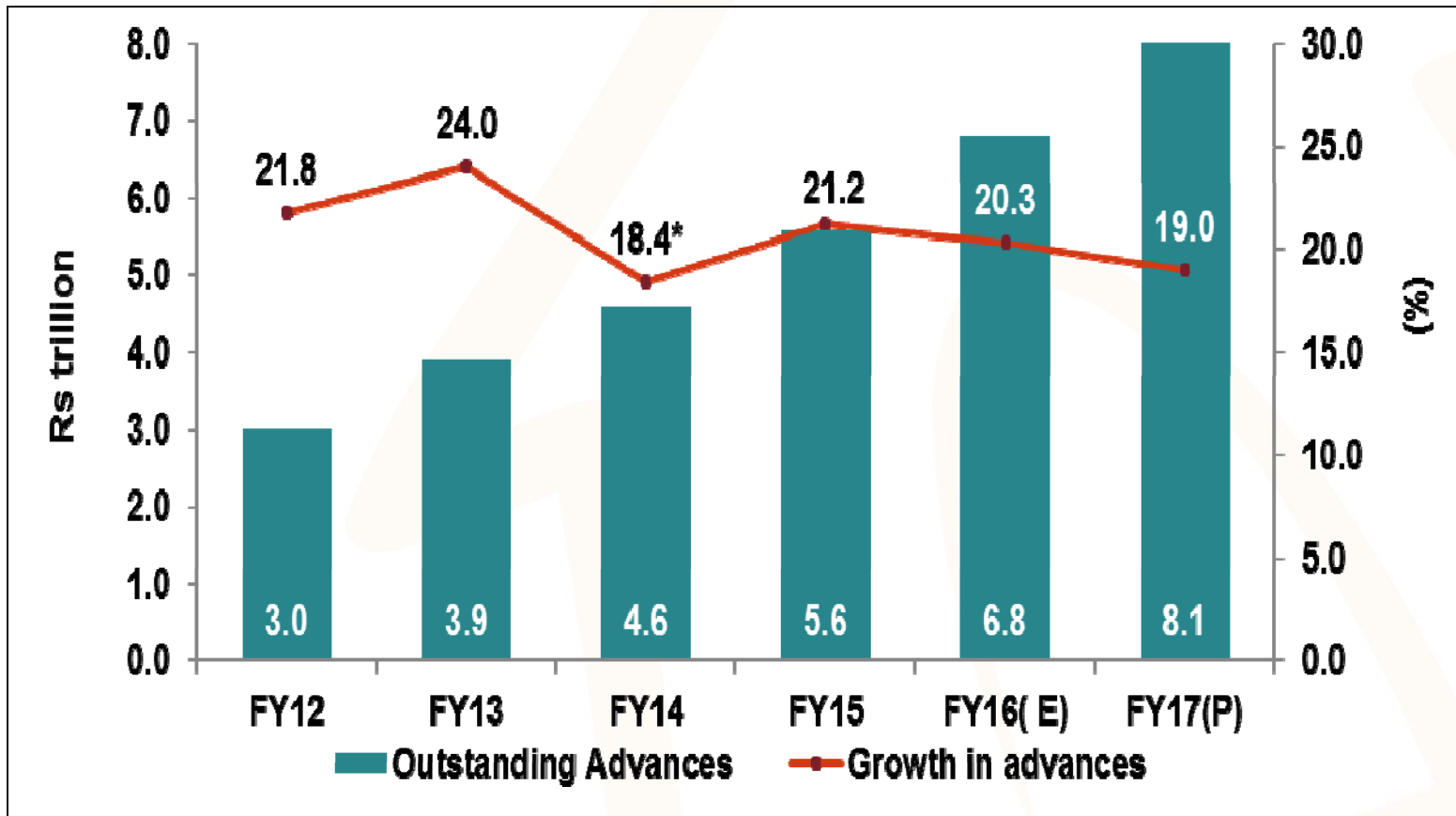


# HOUSING FINANCE INDUSTRY SCENARIO





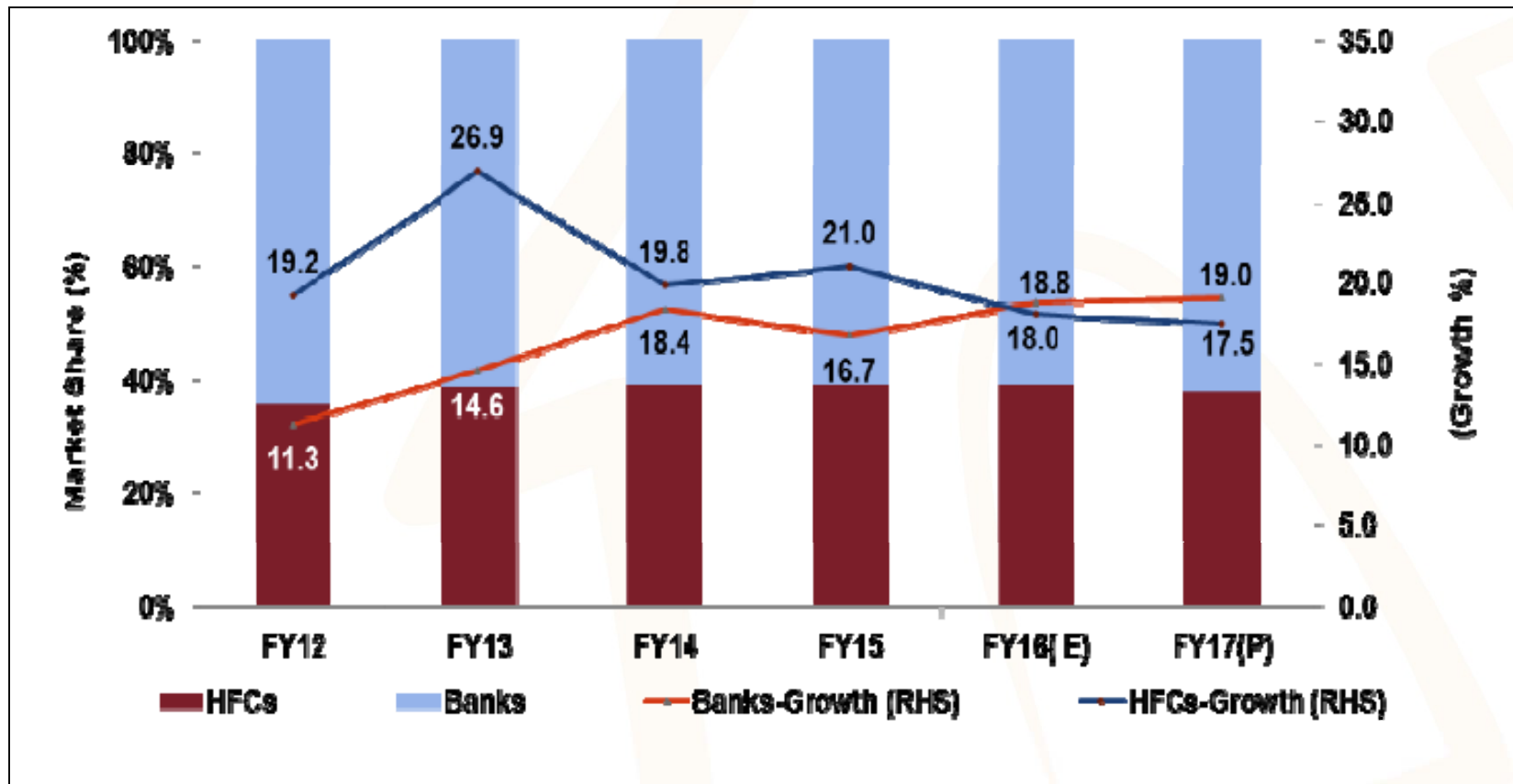
## Overall Advances Growth Slows Down For HFCs



Courtesy: CRISIL Credit Rating Report



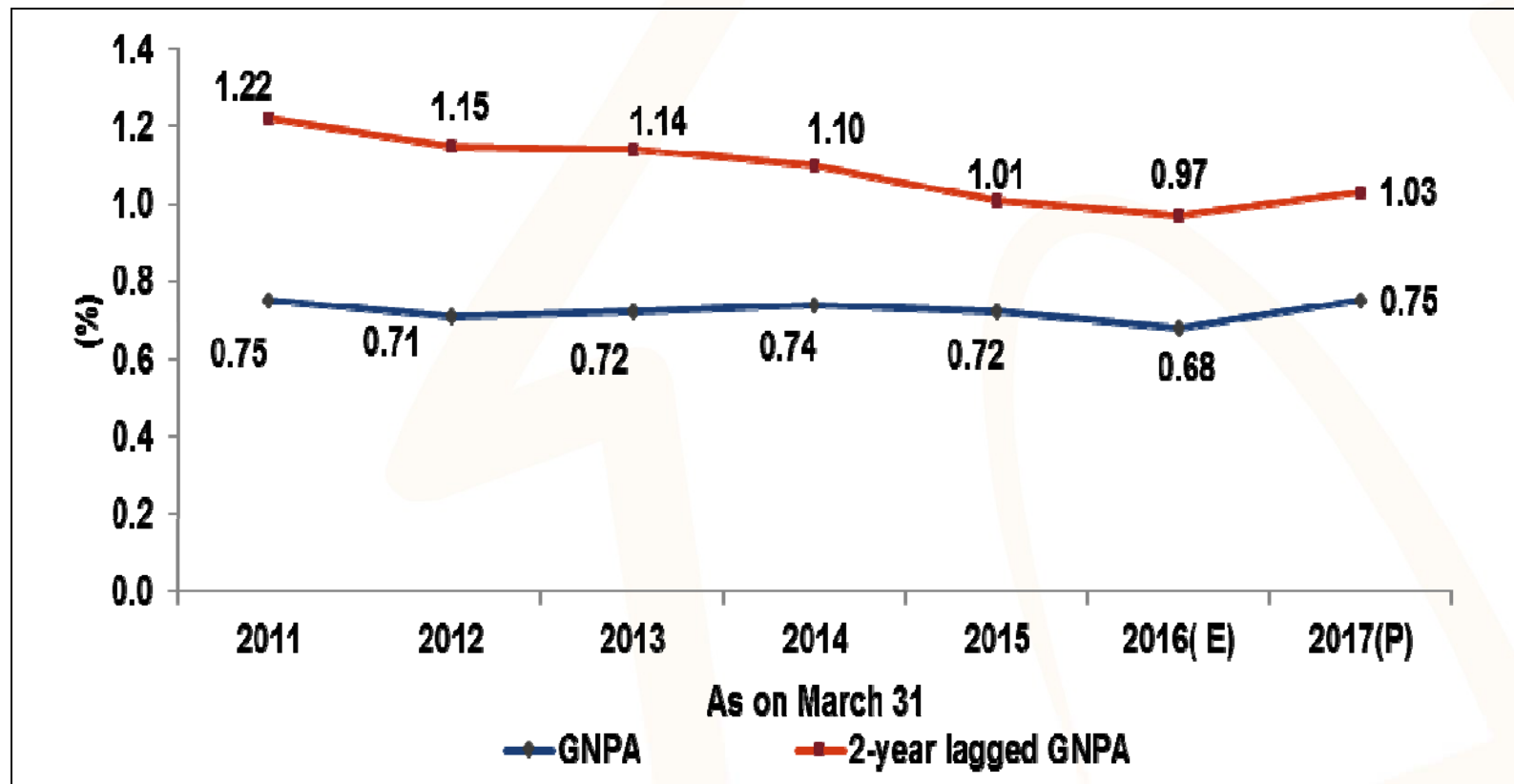
## Banks Outpace HFCs On Growth In Home Loans



Courtesy: CRISIL Credit Rating Report



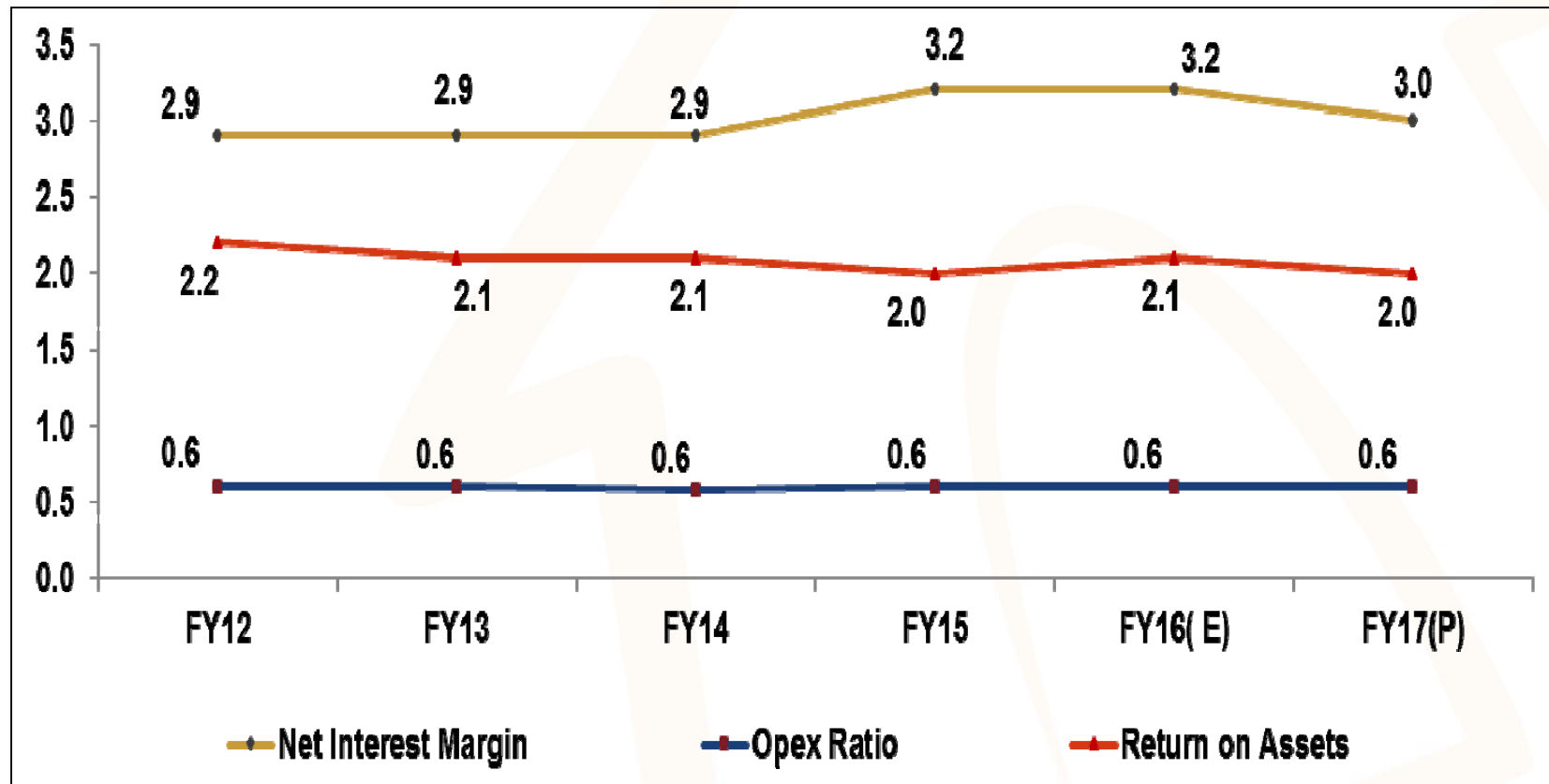
## Asset Quality To Remain Comfortable For HFCs



Courtesy: CRISIL Credit Rating Report



## Profitability To Remain Adequate



Courtesy: CRISIL Credit Rating Report



# GRUH PERFORMANCE

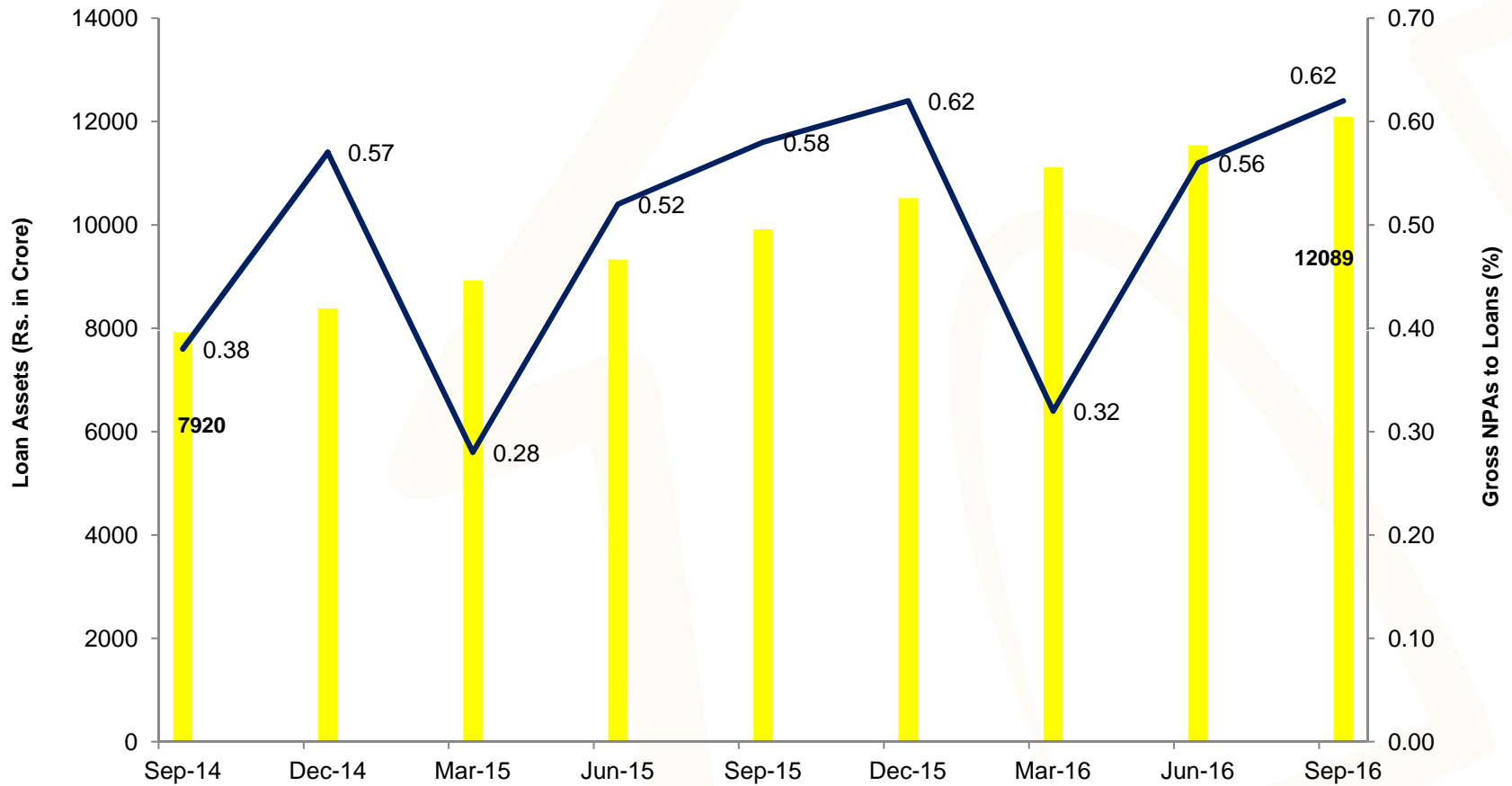


# Compounded Average Growth Rate (CAGR) as at September 30, 2016

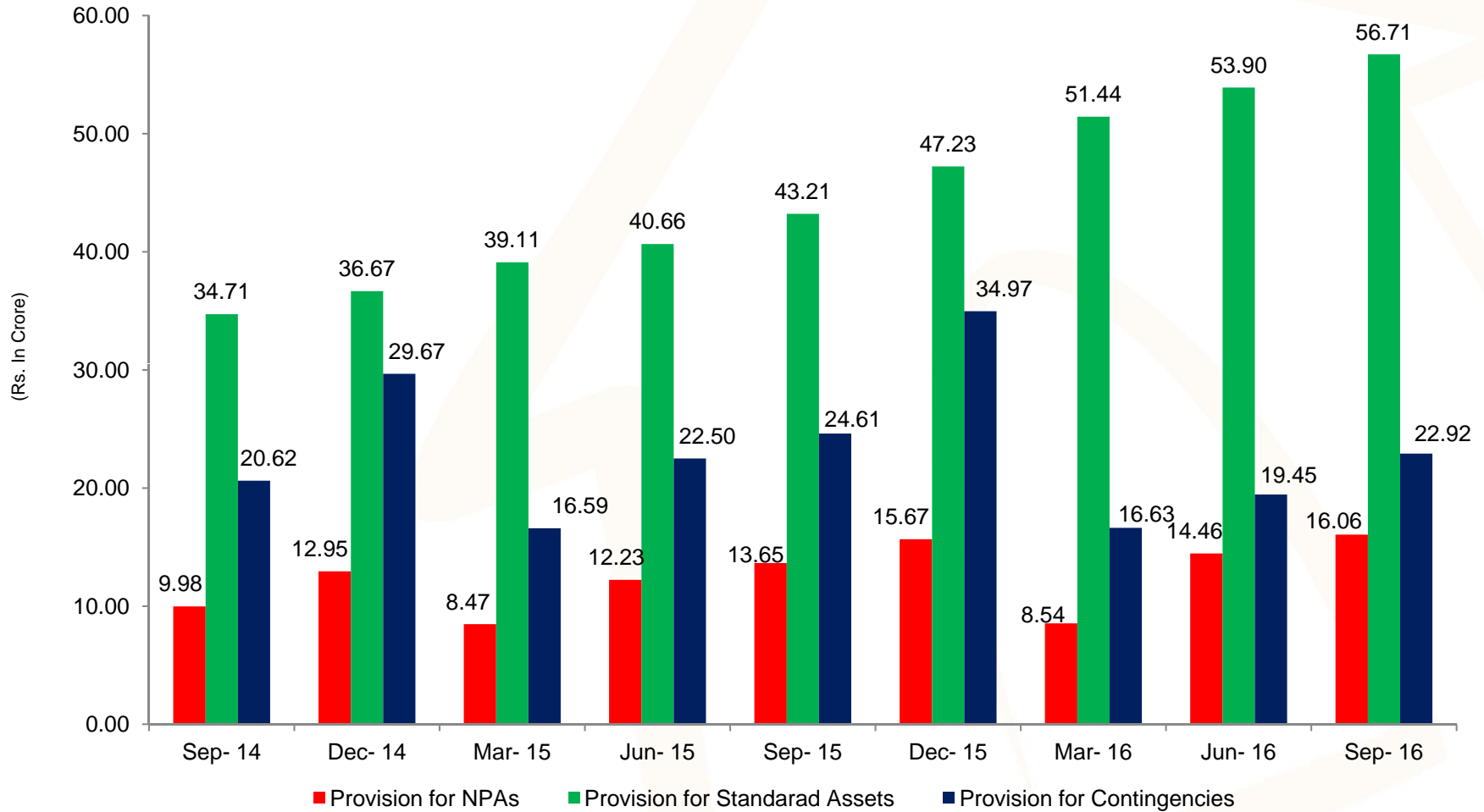
	3 Years (%)	5 Years (%)	7 Years (%)
Disbursements	18	25	32
Loan Assets	25	28	28
NIM	23	23	26
Profit After Tax	21	24	29



## Loan Assets and Gross NPAs to Loans

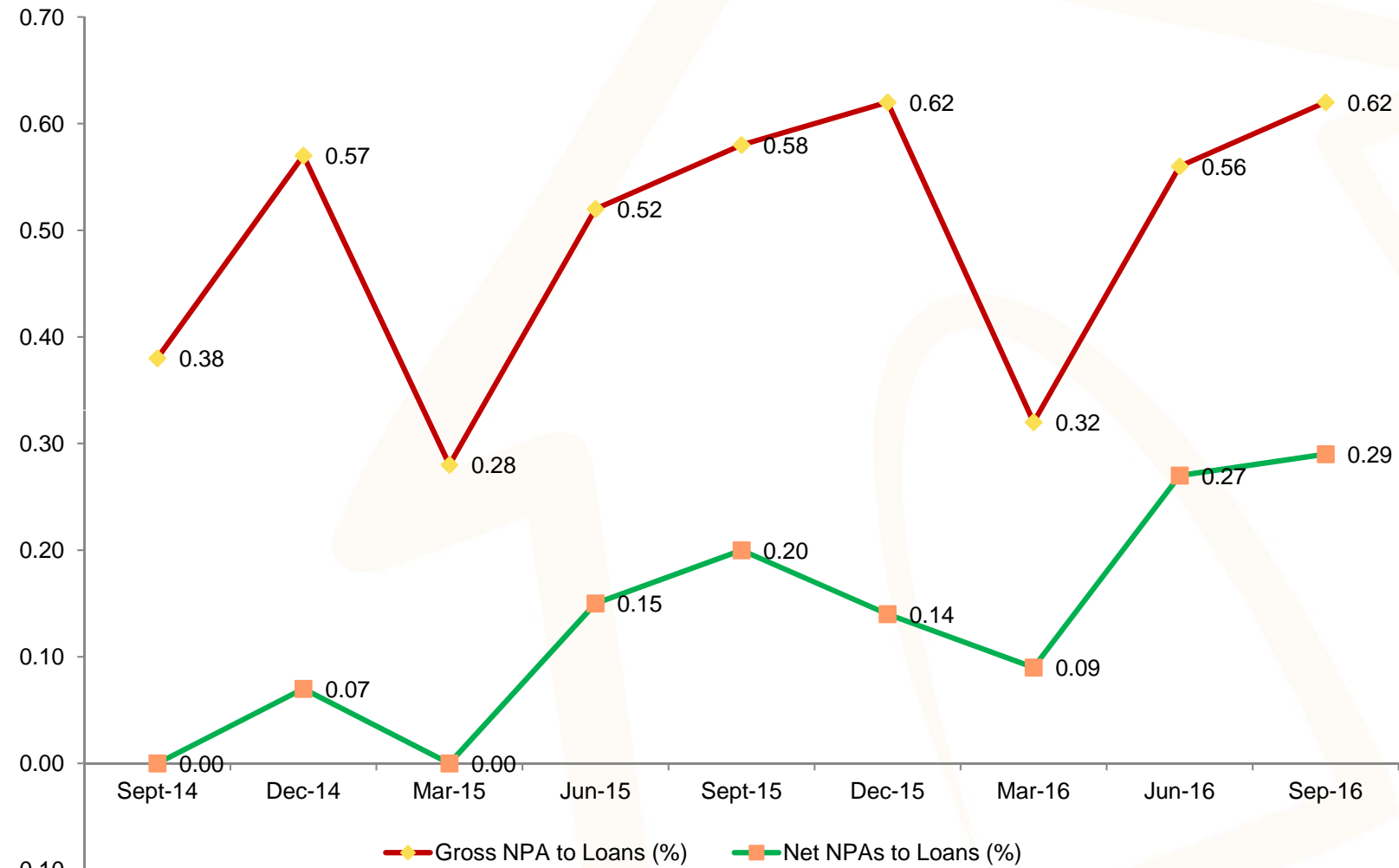


# Provisions & Contingencies

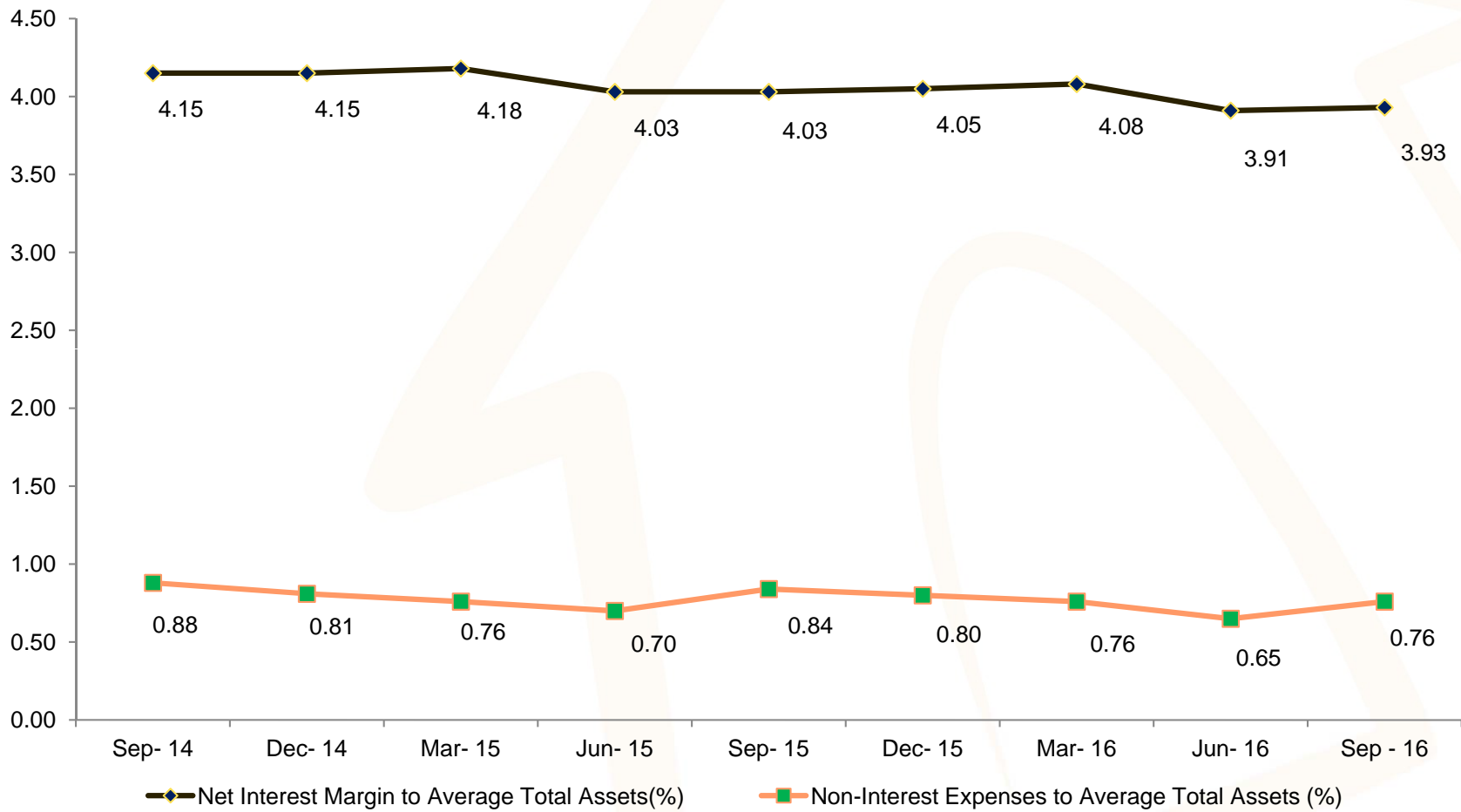




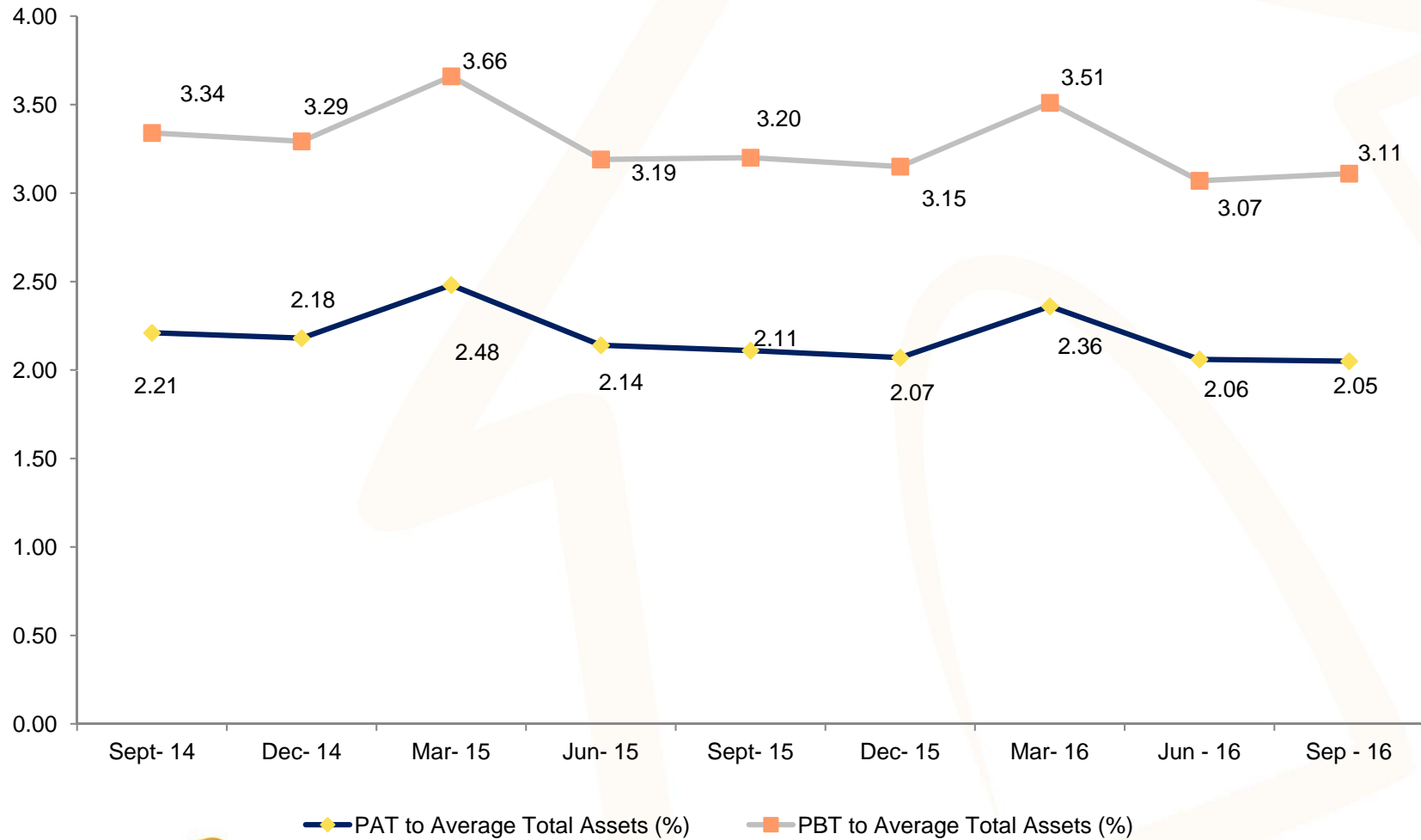
## Gross NPAs & Net NPAs



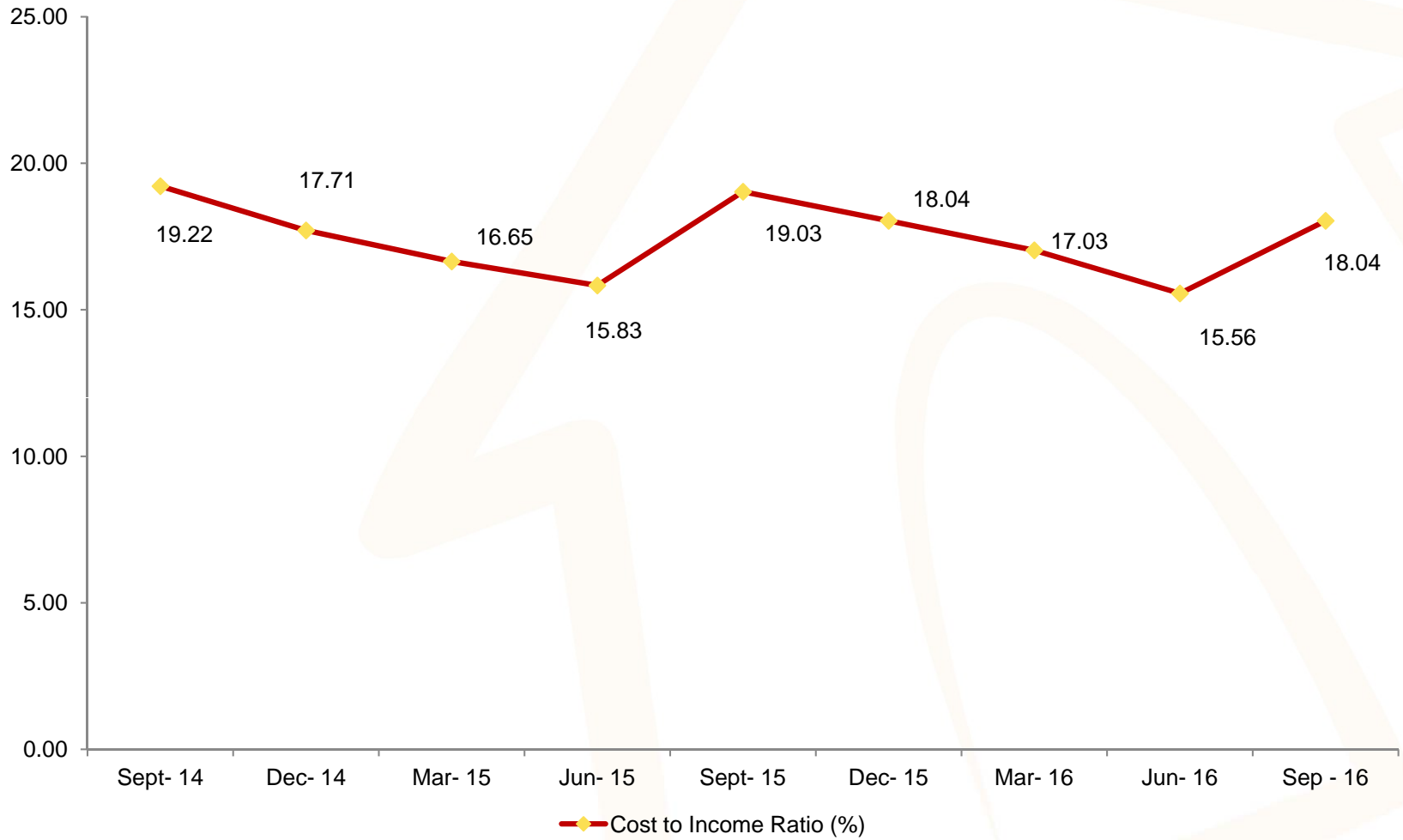
## NIM & NIE to Average Total Assets



## PBT & PAT to Average Total Assets



## Cost to Income Ratio (%)



# Loan Disbursements

(Rs. in Crores)

	April – Sept. 2016	April – Sept. 2015	Growth
	Amount	Amount	%
Housing	1474	1201	23
Mortgage Loans	219	339	(35)
NRP Loans	30	36	(16)
Construction	222	175	27
<b>Total</b>	<b>1945</b>	<b>1751</b>	<b>11</b>



# Outstanding Loans

(Rs. in Crores)

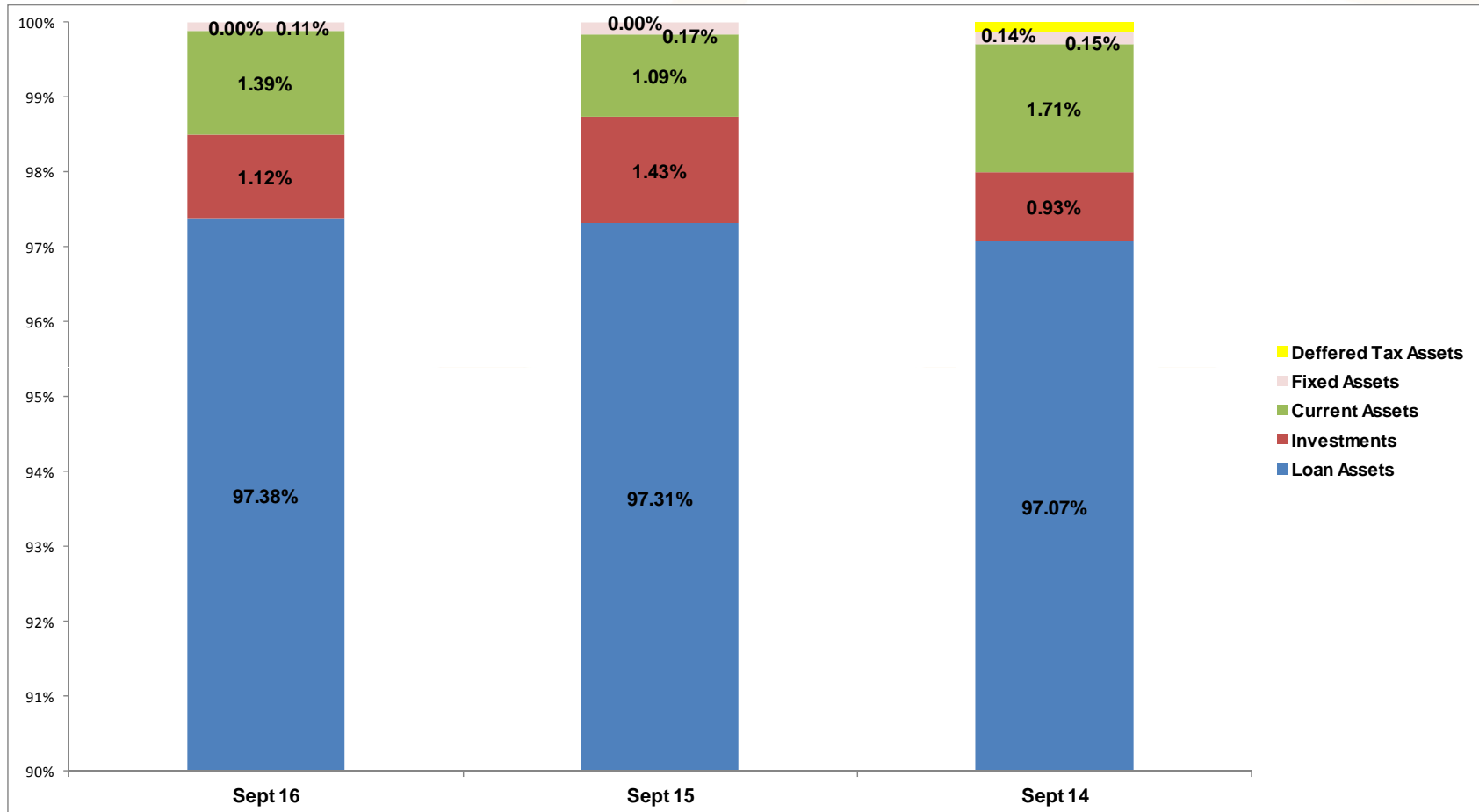
	As at Sept 30, 2016		As at March 31, 2016		As at Sept 30, 2015	
	Amount	%	Amount	%	Amount	%
<b>Individual Housing</b>						
Suraksha	6332.64	52.38	5866.96	52.79	5390.6	54.45
Suvidha	3430.49	28.38	3126.54	28.13	2927	29.57
Sajavat	57.66	0.48	45.33	0.41	42.13	0.43
<b>Total Home Loans</b>	<b>9820.79</b>	<b>81.24</b>	<b>9038.83</b>	<b>81.32</b>	<b>8359.7</b>	<b>84.44</b>
Mortgage	1385.18	11.46	1247.30	11.22	818.5	8.27
NRP Loans	382.00	3.16	394.48	3.55	360.05	3.64
<b>Other Individual Loans</b>	<b>1767.18</b>	<b>14.62</b>	<b>1641.78</b>	<b>14.77</b>	<b>1178.6</b>	<b>11.90</b>
<b>Construction</b>	<b>501.16</b>	<b>4.15</b>	<b>433.95</b>	<b>3.90</b>	<b>361.9</b>	<b>3.66</b>
<b>Total</b>	<b>12089.13</b>	<b>100.00</b>	<b>11114.56</b>	<b>100.00</b>	<b>9900.18</b>	<b>100.00</b>



# Loan Portfolio-wise NPL

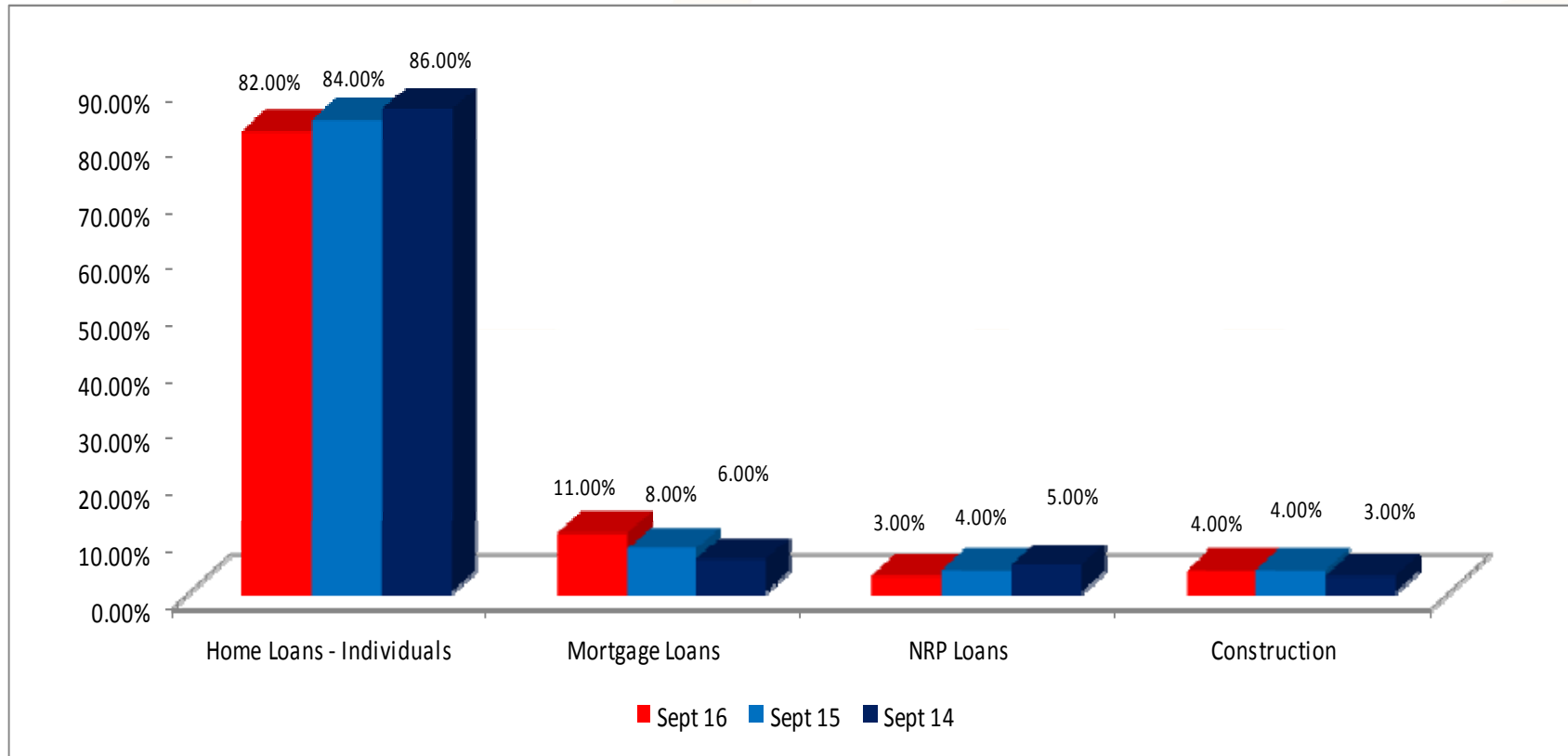
	As at Sept 30, 2016		As at March 31, 2016		As at Sept 30, 2015	
	Amount	%	Amount	%	Amount	%
Individual Housing	49.46	0.51	23.18	0.26	41.75	0.50
Mortgage	15.43	1.11	9.74	0.78	12.15	1.48
Others	9.68	2.19	2.63	0.59	3.97	0.98
<b>Total</b>	<b>74.57</b>	<b>0.62</b>	<b>35.55</b>	<b>0.32</b>	<b>57.87</b>	<b>0.58</b>

# Assets Profile





# Loan Assets Profile

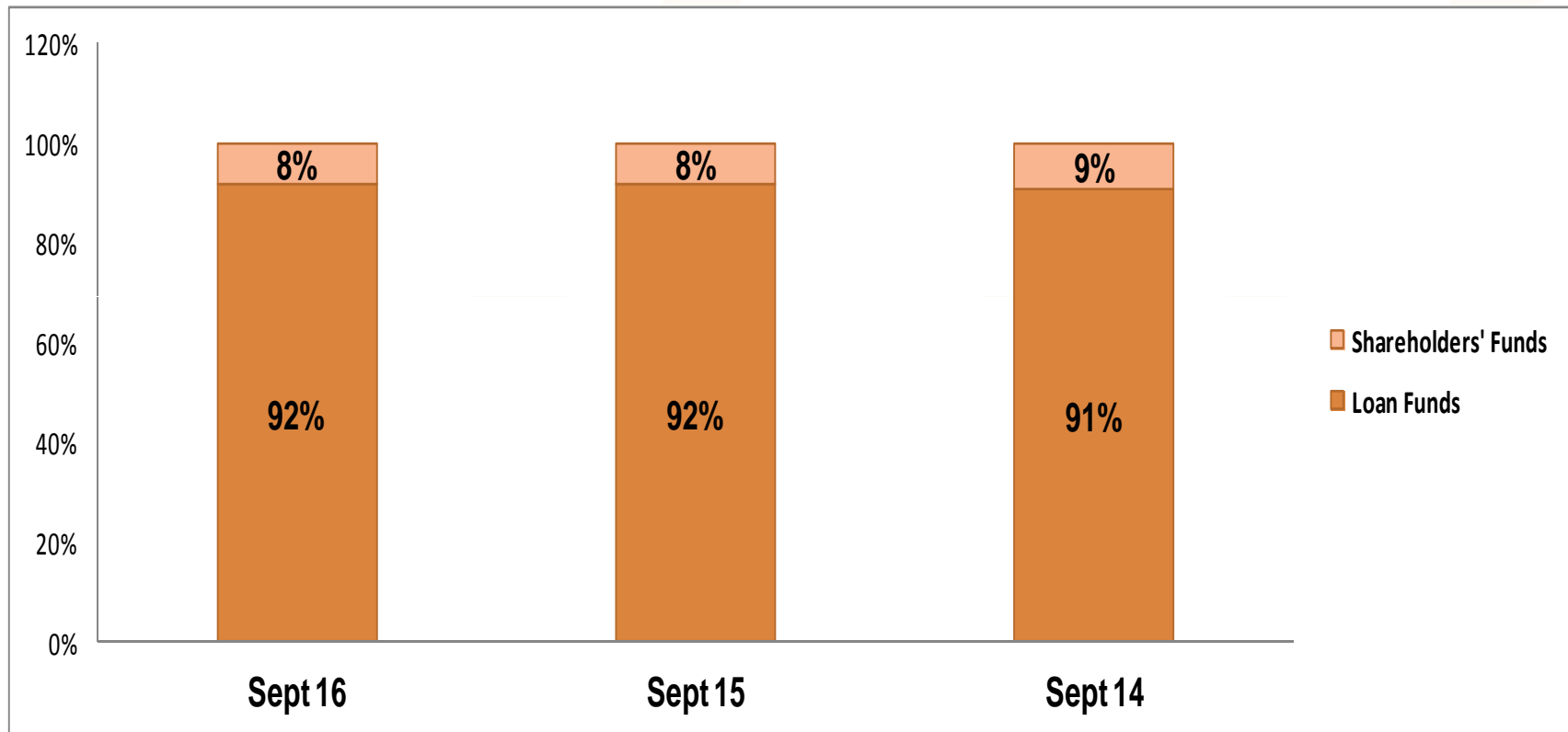


\* 95.73% of Loans are on Variable Rates

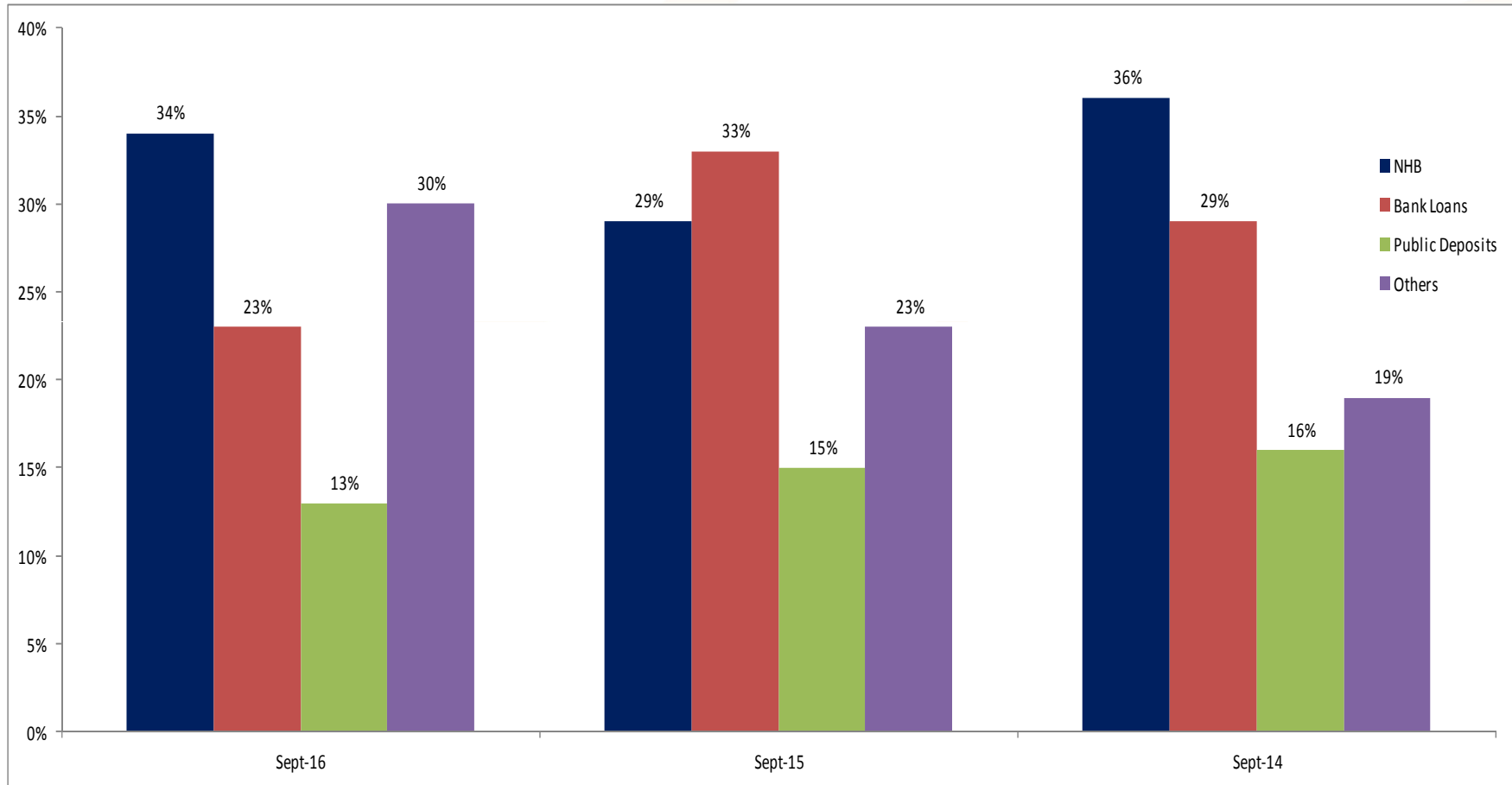
\*\* Average duration of loan sanction is 208 months



# Liability Profile



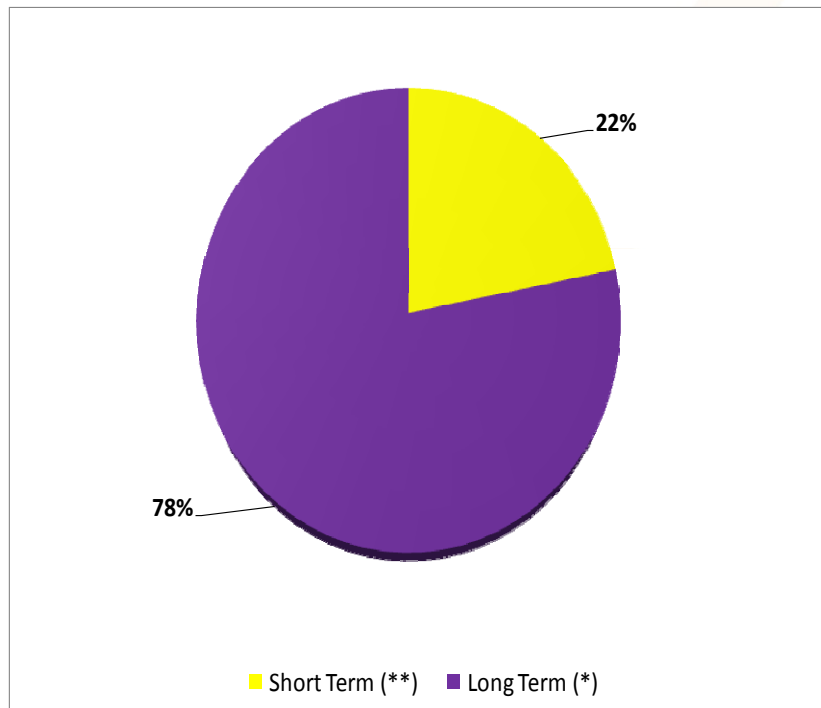
# Sources of Borrowing



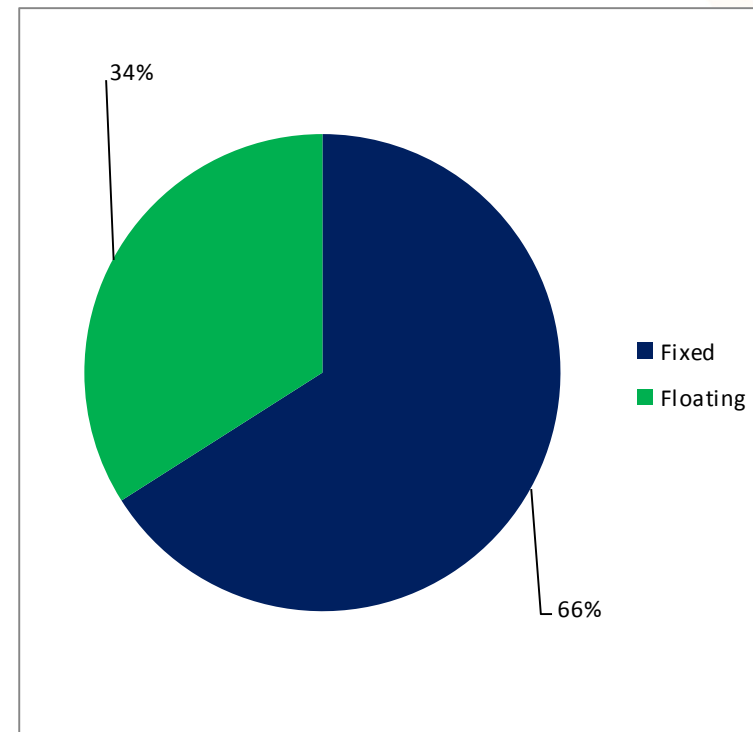
# Borrowing Profile

As on Sept. 30, 2016

## Tenure Base



## ROI Base



(\*) Average tenure 8.87 years

(\*\*) Average tenure less than one year



As on Sept. 30,

# Balance Sheet

(Rs. in Crores)

	<u>2016</u>	<u>2015</u>	<u>Growth (%)</u>
<b><u>Sources of Funds</u></b>			
Share Capital	72.78	72.73	0.07
Reserves & Surplus	889.56	741.57	19.96
Borrowings	11092.03	9103.35	21.85
Current Liabilities & Provisions	313.29	242.52	29.18
Deferred Tax Liability (Net)	65.29	23.86	173.64
	<b>12432.95</b>	<b>10184.03</b>	<b>22.08</b>
<b><u>Application of Funds</u></b>			
<b>Loan Assets</b>	<b>12089.13</b>	<b>9912.99</b>	<b>21.95</b>
Investments	138.94	145.44	(4.47)
Current Assets	190.84	111.24	71.56
Fixed Assets	14.04	14.36	(2.23)
	<b>12432.95</b>	<b>10184.03</b>	<b>22.08</b>



# Income Statement

As on Sept. 30,

(Rs. in Crores)

	<u>2016</u>	<u>2015</u>	<u>Growth (%)</u>
Interest income	693.33	583.84	18.75
Interest expenses	459.24	388.92	18.08
<b>Net interest Margin</b>	<b>234.09</b>	<b>194.92</b>	<b>20.10</b>
Non-Interest Income	20.44	22.34	(8.50)
Non-Interest Expenses	45.27	40.88	10.73
Depreciation	1.48	1.50	(1.33)
Provisions, Contingencies and Write Offs	21.67	19.25	12.57
CSR Expenses	0.72	0.53	35.85
<b>Profit Before Tax</b>	<b>185.39</b>	<b>155.10</b>	<b>19.53</b>
Provision for Taxation	63.23	53.08	19.12
<b>Profit After Tax</b>	<b>122.16</b>	<b>102.02</b>	<b>19.74</b>



# Risk Profile

## Loan Assets & NPAs

As on Sept. 30,

(Rs. in Crores)

	<u>2016</u>	<u>2015</u>	<u>Growth (%)</u>
Loan Assets (Rs.)	12089.13	9912.99	21.95
Provision for Standard Assets (Rs.)	56.71	43.21	31.24
Gross NPAs (Rs.)	74.57	57.87	28.86
Provision for NPAs (Rs.)	16.06	13.65	17.66
Provision for Contingencies	22.92	24.61	(6.85)
Net NPAs (Rs.)	35.59	19.62	81.43
<u>Ratios</u>			
Gross NPA as % to Loans	0.62	0.58	5.66
Net NPA as % to Loans	0.29	0.20	48.77



# Quarterly Financial Results

As on Sept 30,

(Rs. In Crore)

	<u>Q2-CY</u>	<u>Q2-PY</u>	<u>Q1-CY</u>	<u>YOY CY</u>	<u>YOY PY</u>
1. Operating Income	367.43	311.81	346.34	1382.97	1167.17
<b>2. Total Income</b>	<b>367.43</b>	<b>311.81</b>	<b>346.34</b>	<b>1382.97</b>	<b>1167.17</b>
3. Interest and Other Charges	235.14	198.74	224.10	877.73	745.28
4. Non-interest Expenses	26.56	24.93	19.40	85.89	70.39
5. Depreciation	0.74	0.72	0.74	3.01	3.25
6. Provisions, Contingencies & Write Offs	9.13	7.17	12.54	24.35	21.02
<b>7. Total Expenditure</b>	<b>271.60</b>	<b>231.56</b>	<b>256.78</b>	<b>990.98</b>	<b>839.94</b>
8. Profit Before Tax	95.83	80.25	89.56	391.99	327.23
9. Tax Expenses	33.85	28.54	29.38	128.27	106.41
<b>10. Profit After Tax</b>	<b>61.98</b>	<b>51.71</b>	<b>60.18</b>	<b>263.72</b>	<b>220.82</b>





# Key Financial Ratios

As on Sept. 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net Interest Margin / ATA (%)	3.93	4.03	4.15
Non Interest Expenses / ATA (%)	0.76	0.84	0.88
PBT/ATA (%)	3.11	3.20	3.34
PAT/ATA (%)	2.05	2.11	2.21
Cost to Income Ratio (%)	18.04	19.03	19.22

*ATA = Average Total Assets*



# Key Financial Ratios

As on Sept. 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Capital Adequacy Ratio (%)	18.26	15.73	16.71
Tier – I	16.65	14.33	15.16
Tier –II	1.61	1.40	1.55

# Productivity Ratios

As on Sept. 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Average No. of Employees	637	593	545
Average No. of Retail offices	176	160	142
Profit After Tax Per Employee (Rs. In Lakhs)	38	34	31
Total Assets Per Employee ( Rs. in Lakhs)	1952	1718	1497



# Rural Focus

(Rural location is a location where population is less than 50000.  
A state is divided into districts and each District cover 10-15 Talukas and  
each Taluka is a cluster of 80-100 villages)

- Cumulative Rural Disbursement of Rs. 9,640 Cr.
- Disbursed 1,90,788 cases in rural segment
- Presence in 122 Districts of 10 States
- Servicing customers in 1,102 Taluka places in 10 States
- Disbursed Rs.7,772 Cr. To 1,56,855 families under Golden Jubilee Rural Housing Finance Scheme of Government of India
- Cumulative disbursement of Rs. 1,895 Cr. To 35,955 families under Rural Housing Fund



# Thank You

