



**REPCO HOME FINANCE LIMITED.**  
(Promoted by Repco Bank-Govt. of India Enterprise)  
CIN : L6592TN2000PLC044655

RHFL/SE/10/2019-20

May 29, 2019

The BSE Ltd,  
Phiroze Jeejeebhoy Towers,  
26<sup>th</sup> Floor, Dalal Street,  
Mumbai-400001  
BSE Security Code: 535322

The National Stock Exchange of India Ltd,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra(E), Mumbai- 400051  
NSE Symbol: REPCOHOME

Kind Attn: Listing Department

Dear Sir,

**Sub: Investor Presentation on financial results for the year ended 31 March 2019**

We submit herewith a copy of the presentation on the financial performance of the Company for the year ended 31 March 2019.

This is submitted for your information and records.

Thanking You,

Yours Faithfully,

Company Secretary



Corporate Office : 3rd Floor, Alexander Square, New No : 2 (Old No. 34 & 35) Sardar Patel Road, Guindy, Chennai - 600 032.  
Phone : 044 - 42106650 Fax : 044 - 42106651 E-mail : co@repcohome.com, www.repcohome.com  
Registered Office : 'REPCO TOWER', No : 33, North Usman Road, T.Nagar, Chennai - 600 017. Phone : 044-28340715 / 4037 / 2845

**REPCO HOME FINANCE LIMITED**

(Promoted by REPCO BANK - Govt. of India Enterprise)



# Earnings Presentation Q4FY19



◆ **Q4FY19 Performance**

- ▶ Business summary.....
- ▶ Financial performance for FY19 .....
- ▶ Borrowing profile.....

◆ **Geographic Presence**

- ▶ Footprint.....
- ▶ Region-wise loan book.....

◆ **Annexure**

# Q4FY19 Performance

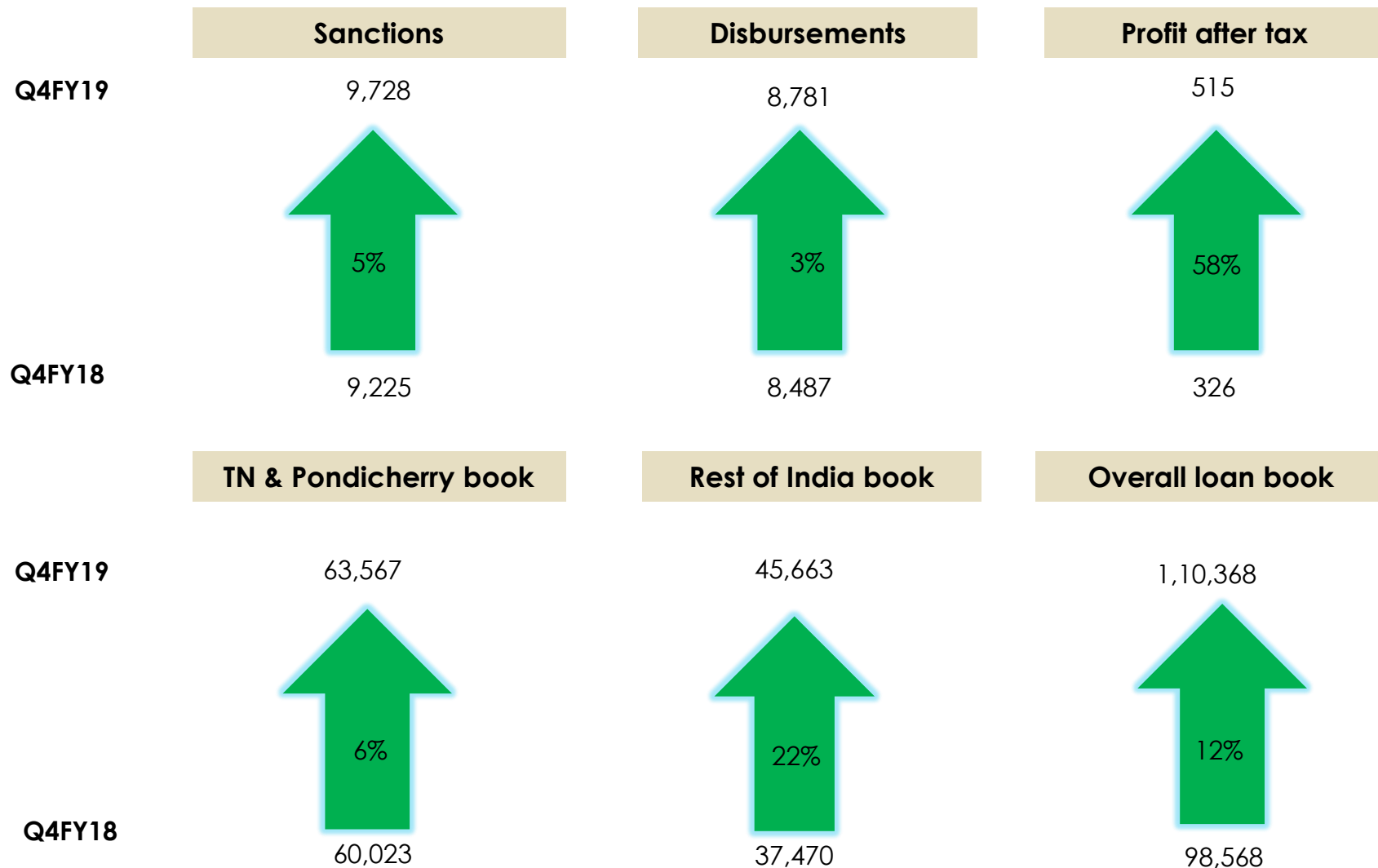
• Loans outstanding (Mar 31, 2019)	Rs. 1,10,368 mn
• Net worth (Mar 31, 2019)	Rs. 14,415 mn
• Tier 1 capital adequacy ratio	23.9%
• Average loan per unit	Rs. 1.4 mn
• Number of live accounts	93,467
• Current Employee Strength	929
• Gross NPA (%) (Mar 31, 2019)	2.95% (IGAAP)
• Expected credit loss (%) (Mar 31, 2019)	1.8%* (Pre technical write-off)
• Expected credit loss (%) (Mar 31, 2019)	1.5%* (Post technical write-off)

\*More information on slide # 13 & 23

# Q4FY19 performance

Repco Home Finance Limited

Figures in Rs million



# FY19 performance

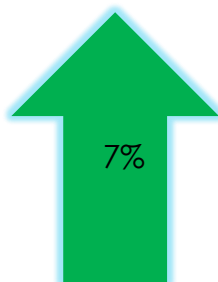
Repco Home Finance Limited

Figures in Rs million

## Operating Income

FY19

11,893

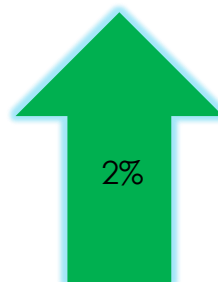


FY18

11,072

## Net Interest Income

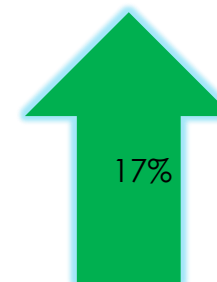
4,693



4,583

## Profit after Tax

2,346

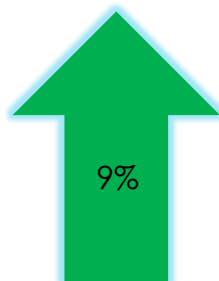


2,010

## Sanctions

FY19

33,700

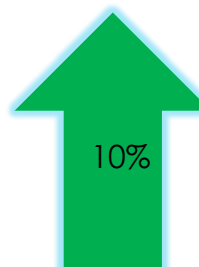


FY18

30,793

## Disbursements

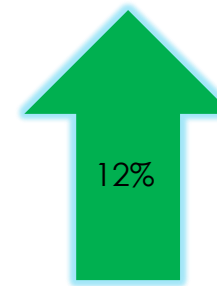
30,918



28,065

## Loan book

1,10,368

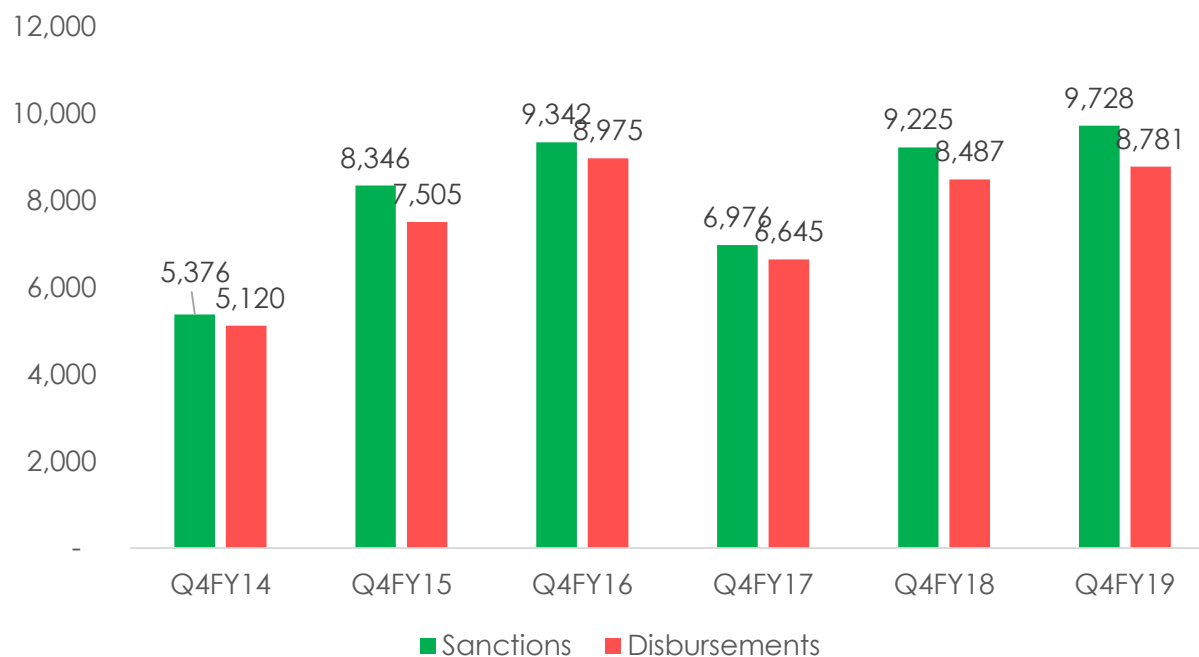


98,568

# Trends in sanctions and disbursements

Repco Home Finance Limited

Figures in Rs million



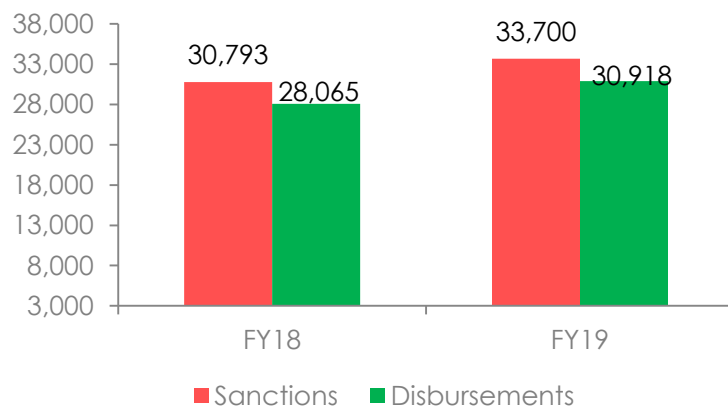


# Asset book

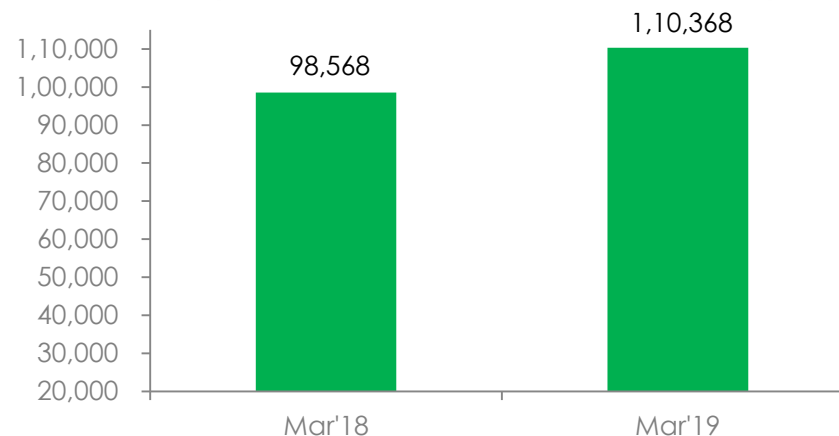
Repco Home Finance Limited

Figures in Rs million

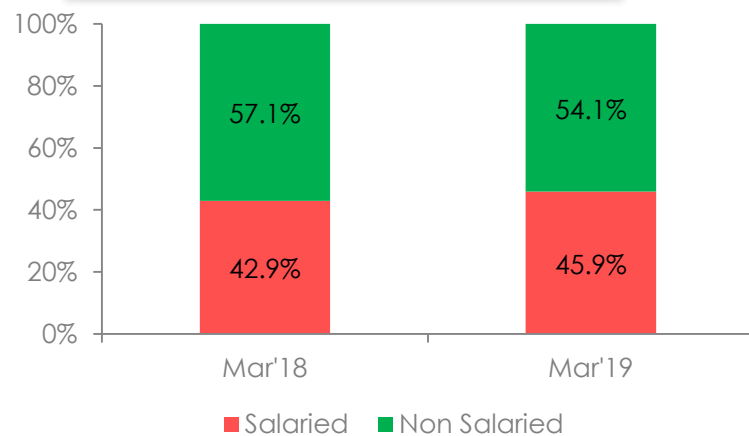
## Sanctions and disbursements



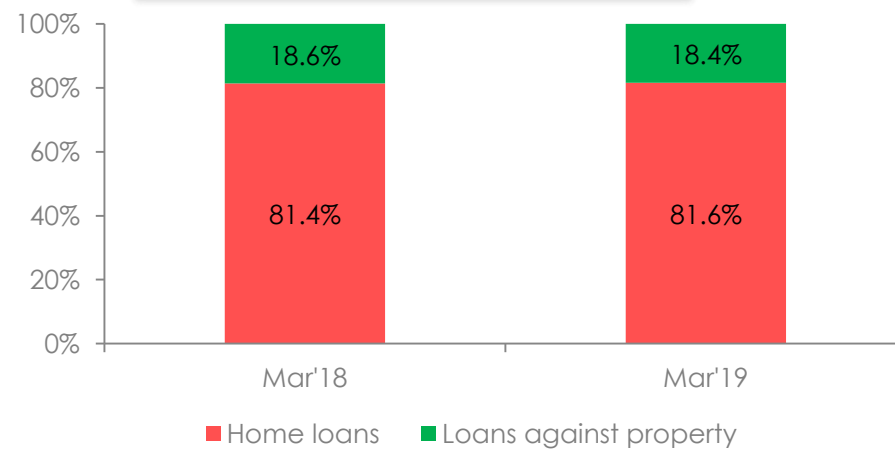
## Loan Book



## Loan book composition



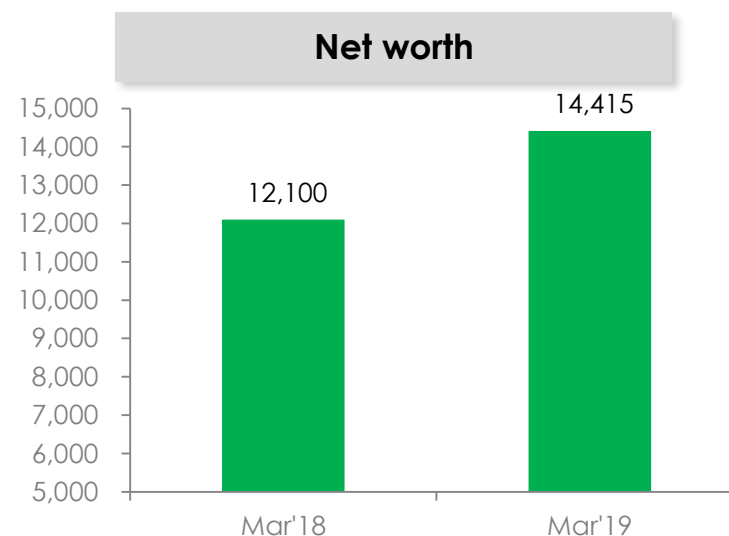
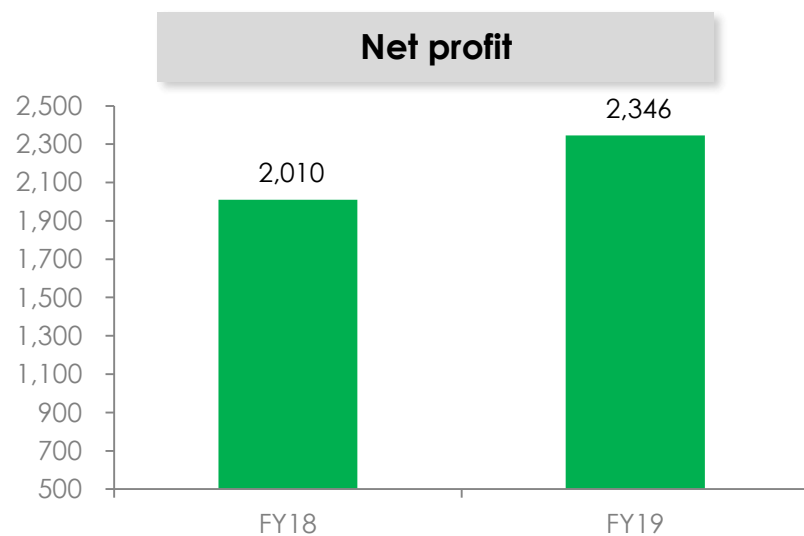
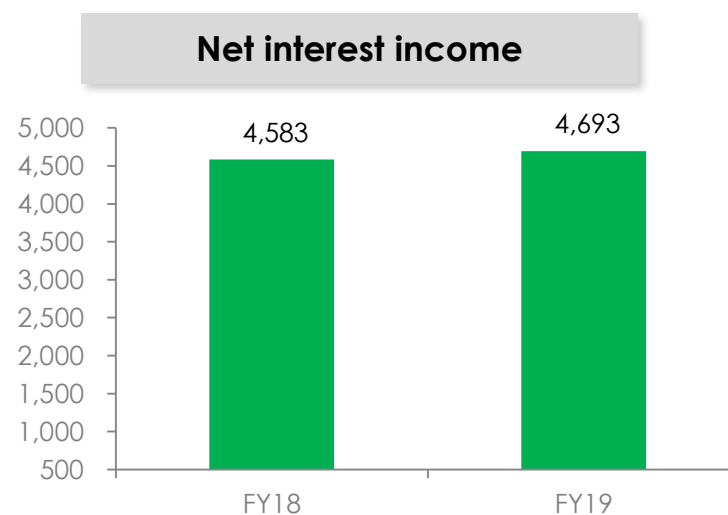
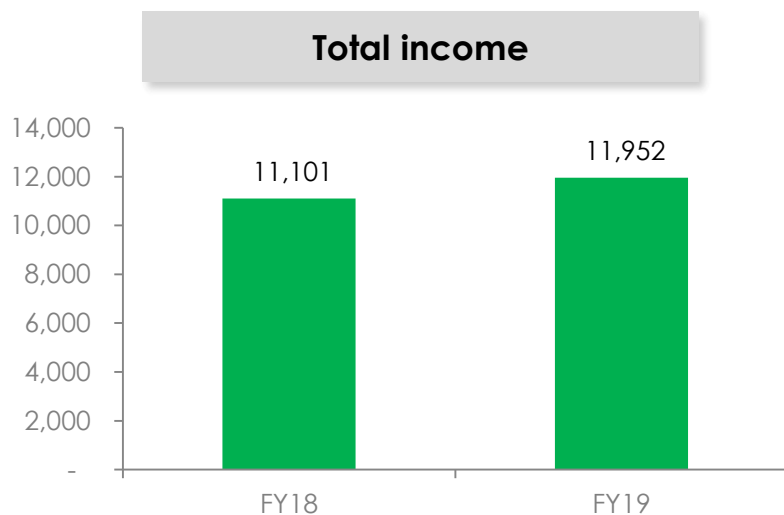
## Mix of loan portfolio



# Income and earnings growth

Repco Home Finance Limited

Figures in Rs million

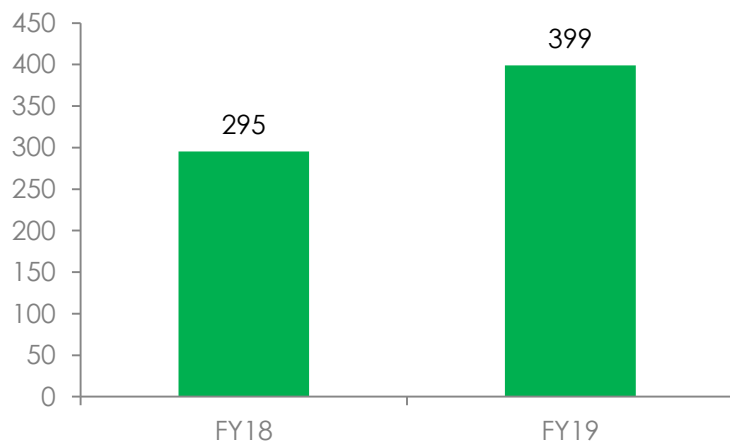


# Operating cost

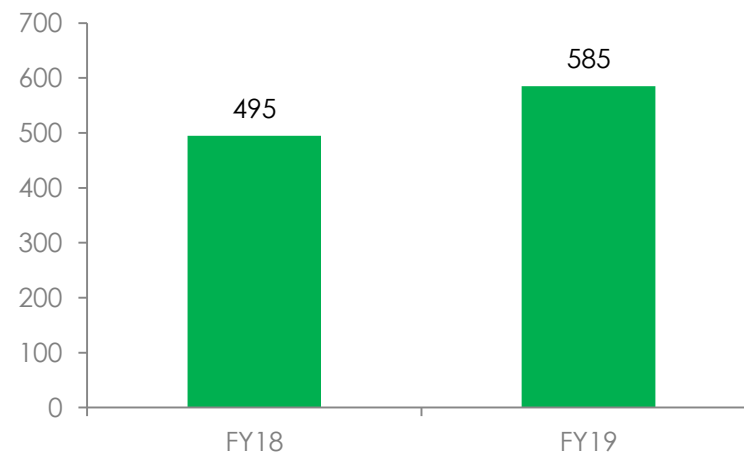
Repco Home Finance Limited

Figures in Rs million

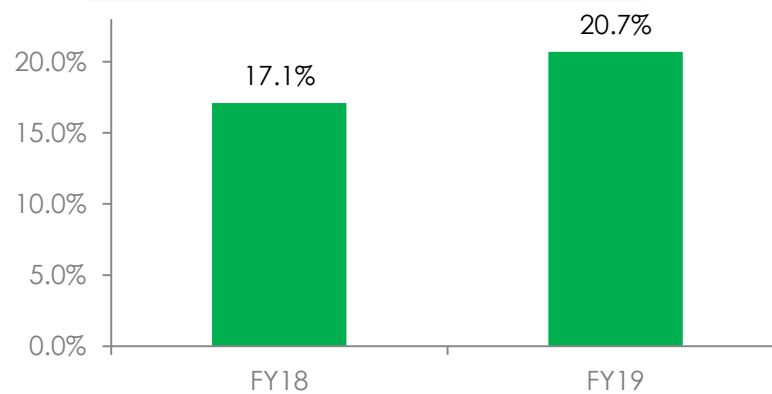
## Employee cost



## Other opex



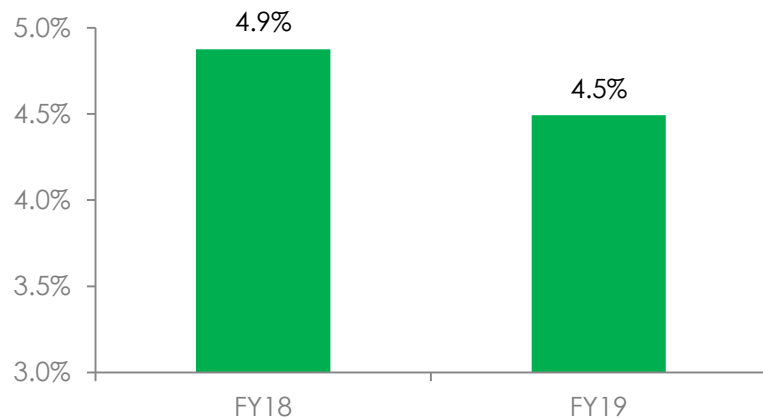
## Cost to income ratio



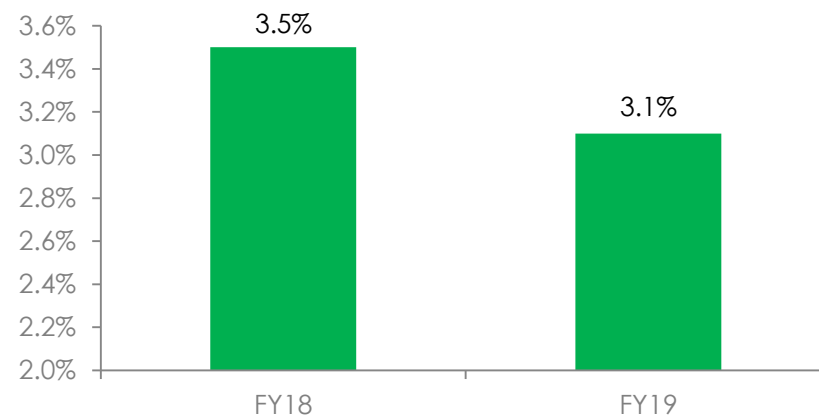
# Profitability ratios

Repco Home Finance Limited

**Net interest margin**



**Spread**



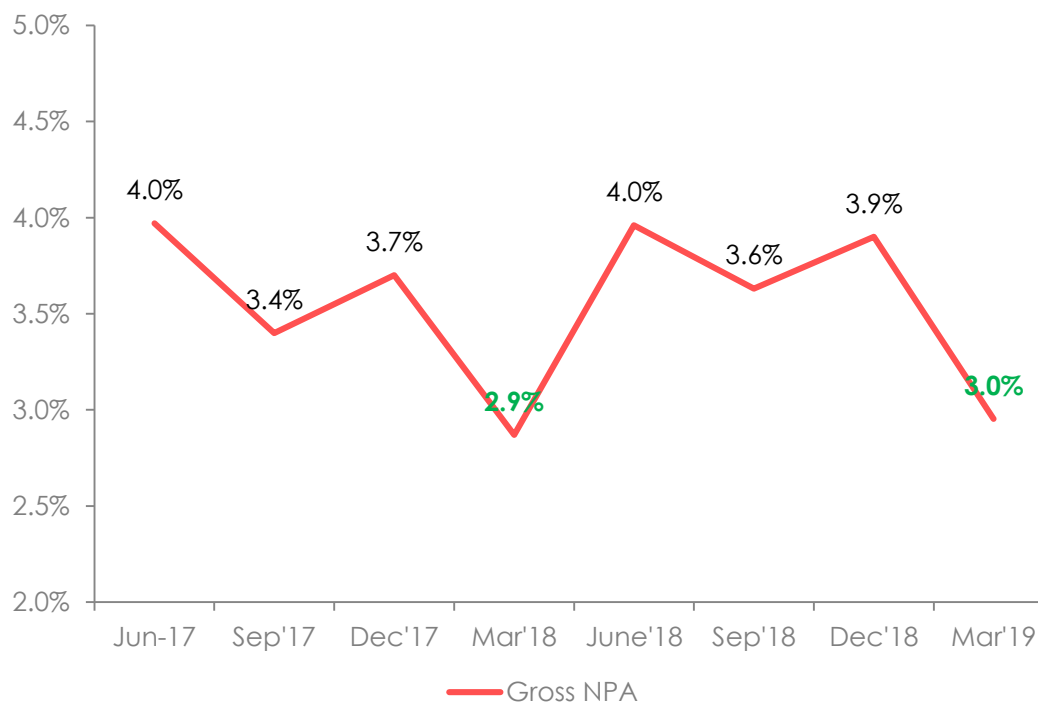
**Return on equity**



**Return on assets**



90+ dpd(%)



# ECL Provisioning

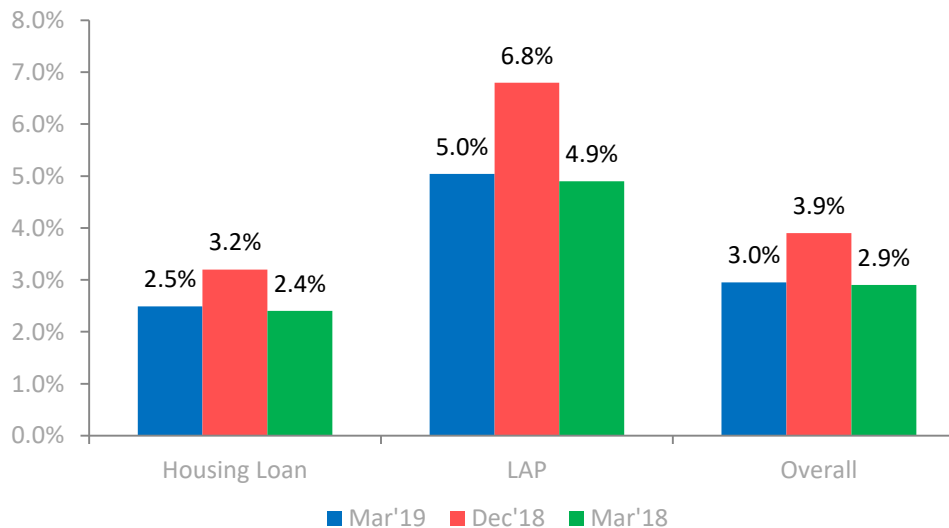
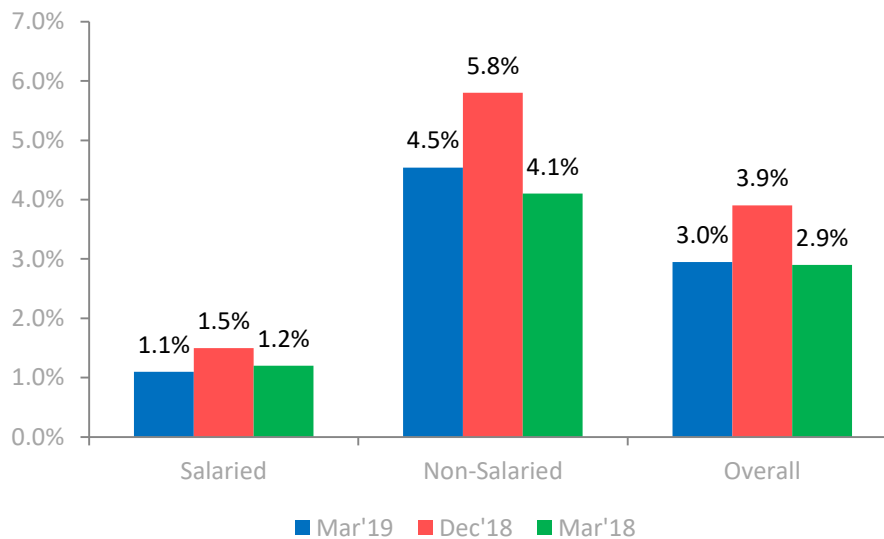
Figures in Rs million

	Q4FY18	Q4FY19
Gross Stage 3	283	326
% portfolio in Stage 3	2.87%	2.95%
ECL provision - Stage 3	132	118
Net - Stage 3	151	208
Coverage ratio - Stage 3	47%	36%
Gross Stage 1 & 2	9,574	10,711
% portfolio in Stage 1 & 2	97.13%	97.05%
ECL provision - Stage 1 & 2	49	47

Before technical write-off, Stage 3 coverage ratio was 42%

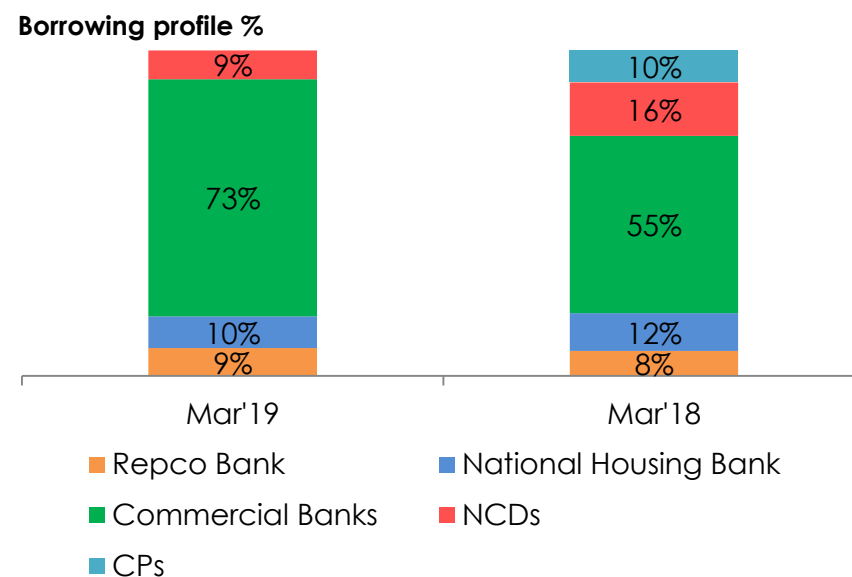
# Mix/Product-wise GNPA (%)

Repco Home Finance Limited



# Diversified borrowing profile

Source (Rs mn)	Average cost	Mar'19	Mar'18	% change
National Housing Bank	7.7%	9,036	9,423	-4%
Repco Bank	8.2%	7,987	6,227	28%
Commercial Banks	8.8%	67,497	44,350	52%
NCDs	8.2%	8,270	13,370	-38%
Commercial Papers	N.A	0	8,000	-100%
<b>Total</b>	<b>8.6%</b>	<b>92,790</b>	<b>81,370</b>	<b>14%</b>



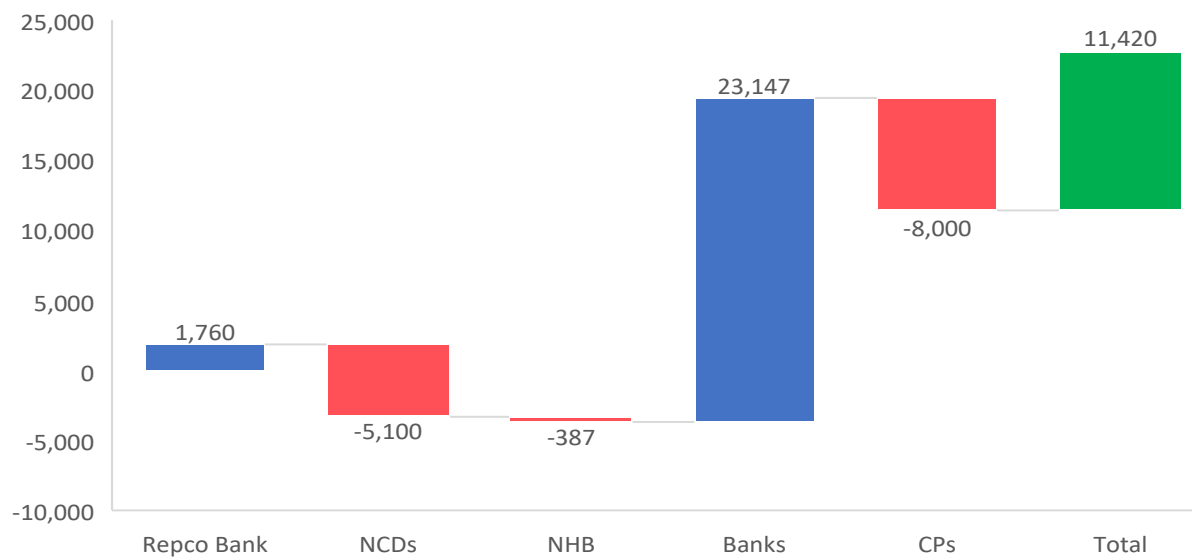
\*Weighted average overall cost.



# Borrowing profile movement- Mar'19 Vs Mar'18

Repco Home Finance Limited

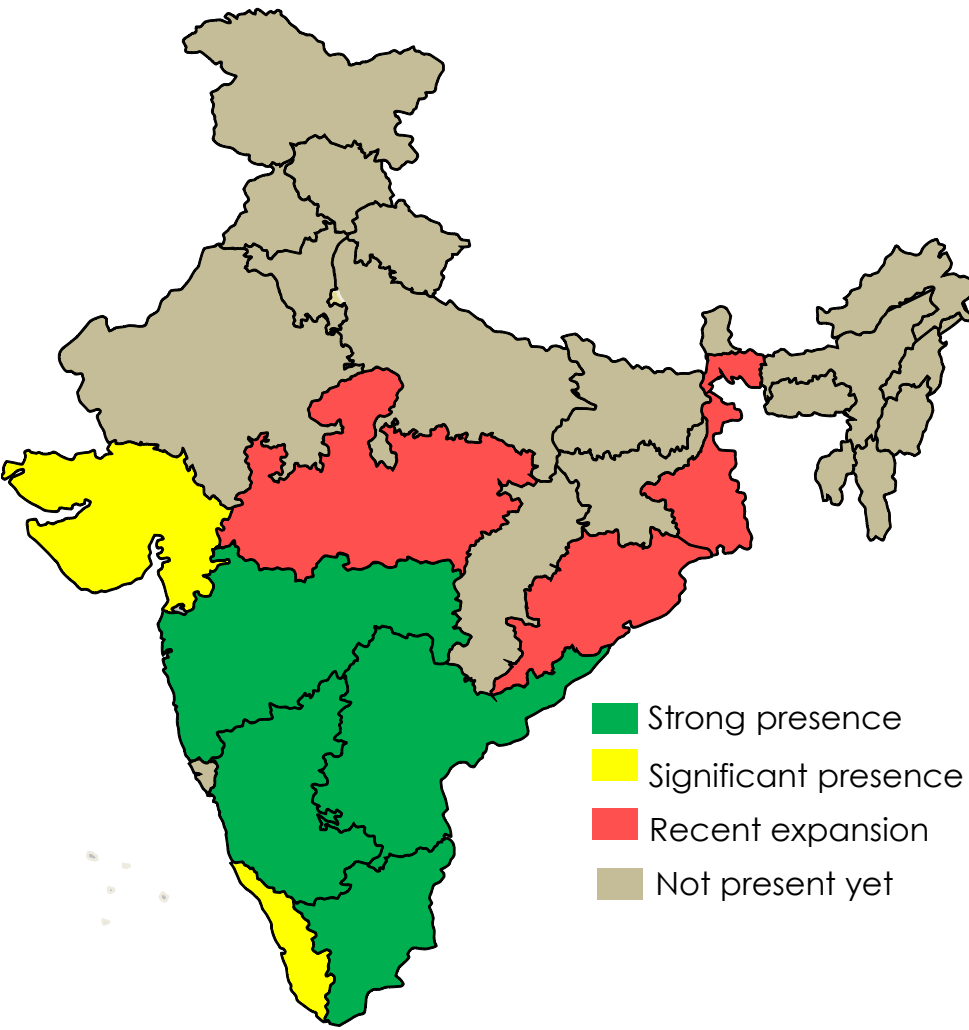
Figures in Rs million



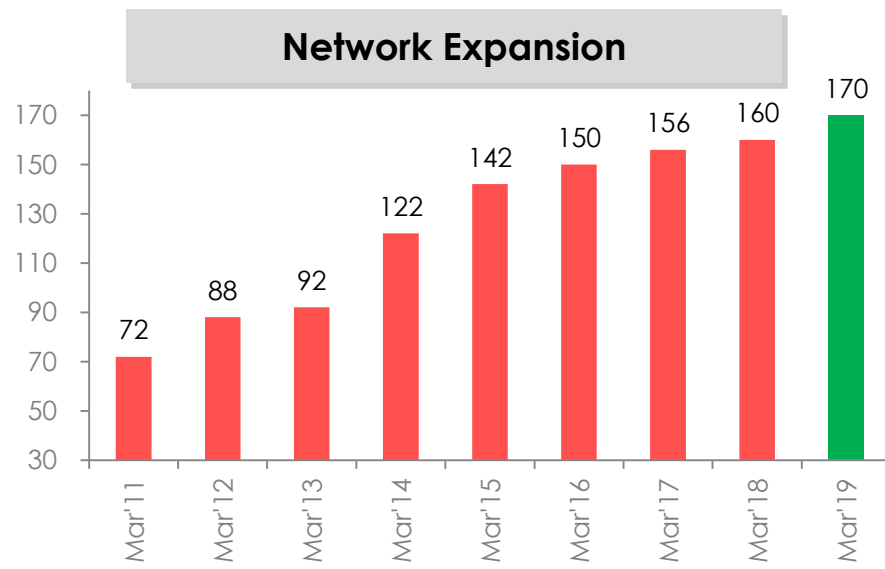
Company issues low cost (<8%) intra-quarter commercial papers regularly.

# Geographic Presence

# Footprint

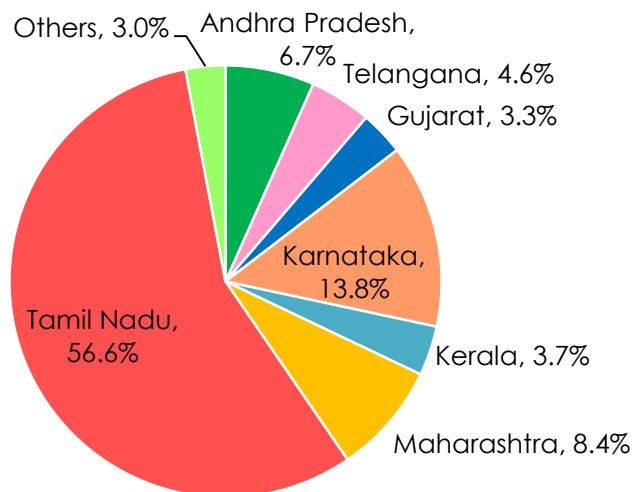


- ◆ Presence in 11 states and 1 Union Territory with 143 branches and 24 satellite centers.
- ◆ Presence beyond South: branches in West Bengal, Orissa, Maharashtra, Gujarat and Madhya Pradesh.



# Region-wise loan book

Repco Home Finance Limited



Annualized

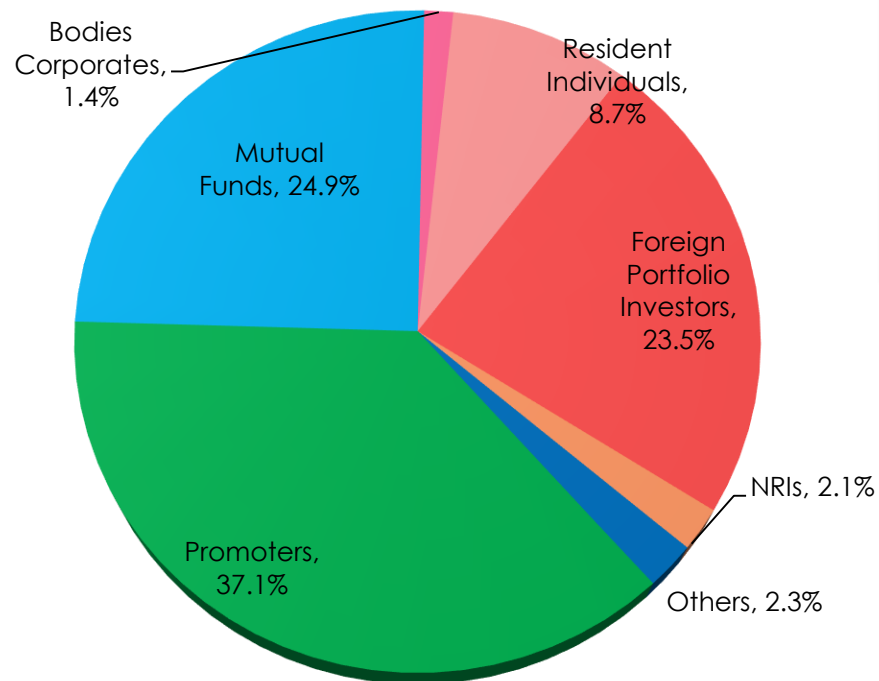
States	Exposure			YoY growth	QoQ growth
	Mar'19	Dec'18	Mar'18		
Andhra Pradesh	6.7%	6.6%	6.8%	9%	16%
Telangana	4.6%	4.5%	4.1%	26%	24%
Gujarat	3.3%	3.0%	2.5%	50%	50%
Karnataka	13.8%	13.5%	12.7%	22%	20%
Kerala	3.7%	3.8%	4.0%	5%	9%
Maharashtra	8.4%	8.1%	7.5%	26%	29%
Tamil Nadu	56.6%	57.6%	59.8%	6%	7%
Others	3.0%	2.9%	2.7%	24%	25%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>12%</b>	<b>14%</b>

# **Annexure**

# Shareholding pattern

Repco Home Finance Limited

Outstanding shares – 62.56 mn



## Major non-promoter shareholders

Major non-promoter shareholders	% shareholding
HDFC Mutual Fund	7.2%
Aditya Birla Mutual Fund	6.6%
Franklin Templeton Mutual Fund	6.2%
India Capital Fund Limited	5.5%
DSP Mutual Fund	4.5%
Alliance Bernstein Funds	3.1%
Apax Global Fund	2.1%

# Profit and loss statement

Figures in Rs million

(Rs. million)	Q4FY19	Q4FY18	YoY (%)	Q3FY19	QOQ (%)	FY19	FY18	YoY (%)
<b>Income:</b>								
Revenue from operations	3,077	2,748	12%	3,037	1%	11,893	11,072	7%
Other income	4	2	52%	2	107%	59	29	106%
<b>Total Income</b>	<b>3,081</b>	<b>2,750</b>	<b>12%</b>	<b>3,039</b>	<b>1%</b>	<b>11,952</b>	<b>11,101</b>	<b>8%</b>
<b>Expenses:</b>								
Interest and other financial charges	1,914	1,613	19%	1,848	4%	7,200	6,489	11%
Employee benefit expense	171	121	40%	147	16%	585	495	18%
Depreciation and amortization expense	13	8	68%	12	8%	50	31	63%
Other expenses	93	87	7%	94	0%	349	264	32%
Provisions & write-offs	-24	404	-106%	182	-113%	170	748	-77%
<b>Total Expenses</b>	<b>2,166</b>	<b>2,233</b>	<b>-3%</b>	<b>2,282</b>	<b>-5%</b>	<b>8,354</b>	<b>8,027</b>	<b>4%</b>
Profit before tax	<b>915</b>	<b>517</b>	<b>77%</b>	<b>757</b>	<b>21%</b>	<b>3,598</b>	<b>3,074</b>	<b>17%</b>
<b>Tax expense:</b>								
Current tax	228	249	-9%	247	-8%	1,017	1,024	-1%
Deferred Tax	172	-58	-396%	-46	-470%	235	40	492%
<b>Net Profit/(Loss)</b>	<b>515</b>	<b>326</b>	<b>58%</b>	<b>556</b>	<b>-7%</b>	<b>2,346</b>	<b>2,010</b>	<b>17%</b>
Other Comprehensive Income	3	1	433%	2	82%	8	2	265%
<b>Total Comprehensive Income</b>	<b>518</b>	<b>327</b>	<b>59%</b>	<b>558</b>	<b>-7%</b>	<b>2,355</b>	<b>2,012</b>	<b>17%</b>

## Important points

- The Company has identified and made 100% provision on certain loan accounts to use up provisions created under the old accounting regime and to shore up provisioning under IND AS. As a result, ECL provisioning under IND AS before technical write-off increased from 0.8% in Dec'18 to 1.8% in Mar'19.
- As a natural consequence, income recognized until 9MFY19 on aforementioned accounts was reversed in Q4FY19 causing a flat Q-o-Q revenue and NII growth.
- The Company did a technical write-off to the tune of Rs. 322 mn on a few accounts carrying 100% provisions. As a result, the revised ECL provision now stands at 1.5%.
- The Company has decided to follow a more conservative approach in recognizing processing fee and administrative fee income over the life of loans. Until Dec'18, the company was trying out different possibilities. This has also contributed to flatness in sequential income growth.
- Included in Employee expenses is a one-off charge of about Rs. 16 mn relating to actuarial valuation of employee benefits.
- The Company has up-fronted all operating expenses- including DSA commissions, fee paid to KYC consultants and expenses on enforcement of security interest resulting in high cost to income ratio.



# Balance Sheet

Figures in Rs million

(Rs. million)	As on March 31, 2019	As on March 31, 2018
<b>EQUITY AND LIABILITIES:</b>		
<b>Shareholder's Funds</b>	<b>15,274</b>	<b>13,085</b>
Share Capital	626	626
Reserves and Surplus	14,648	12,459
<b>Financial liabilities</b>	<b>93,656</b>	<b>83,817</b>
Debt securities	8,254	21,343
Other Borrowings	84,520	60,000
Other financial liabilities	882	2,474
<b>Non-financial liabilities</b>	<b>640</b>	<b>408</b>
Provisions	120	128
Deferred tax liabilities (net)	520	280
<b>Total Liabilities</b>	<b>94,296</b>	<b>84,225</b>
<b>Total</b>	<b>1,09,570</b>	<b>97,310</b>
<b>ASSETS:</b>		
<b>Financial assets</b>	<b>1,09,318</b>	<b>96,990</b>
Cash and cash equivalents	575	258
Bank balance other than cash and cash equivalents	1	1
Loans and advances	1,08,522	96,575
Investment in associate	220	156
<b>Non-financial assets</b>	<b>252</b>	<b>319</b>
Property, plant and equipment	136	123
Other intangible assets	19	12
Other non-financial assets	97	184
<b>Total</b>	<b>1,09,570</b>	<b>97,310</b>

# Relative performance – Q4FY19

Repco Home Finance Limited

Particulars	Units	Q4FY18	Q4FY19
Sanctions	Rs. Mn	9,225	<b>9,728</b>
Disbursements	Rs. Mn	8,487	<b>8,781</b>
Net interest income	Rs. Mn	1,135	<b>1,164</b>
PAT	Rs. Mn	326	<b>515</b>
NIM	%	4.7	<b>4.3</b>
Yield on assets	%	11.4	<b>11.3</b>
Cost of funds	%	8.0	<b>8.4</b>
Spread	%	3.3	<b>2.9</b>
Return on assets	%	1.3	<b>1.9</b>
Return on equity	%	10.8	<b>14.2</b>

# Relative performance – FY19

Particulars	Units	FY18	FY19
Sanctions	Rs. Mn	30,793	<b>33,700</b>
Disbursements	Rs. Mn	28,065	<b>30,918</b>
Net interest income	Rs. Mn	4,583	<b>4,693</b>
PAT	Rs. Mn	2,010	<b>2,346</b>
NIM	%	4.9	<b>4.5</b>
Yield on assets	%	11.9	<b>11.4</b>
Cost of funds	%	8.4	<b>8.3</b>
Spread	%	3.5	<b>3.1</b>
Return on assets	%	2.1	<b>2.2</b>
Return on equity	%	17.5	<b>17.7</b>

# Repco MSME – Performance Snapshot

Repco Home Finance Limited

Figures in Rs million

	FY18	FY19	Growth
Balance Sheet	7,077	<b>9,281</b>	31%
Loans	7,023	<b>9,072</b>	29%
Equity	1,080	<b>1,664</b>	54%
Total Revenue	1,148	<b>1,563</b>	36%
Net Interest Income	621	<b>870</b>	40%
Profit After Tax	290	<b>455</b>	57%
Net interest Margin	10.6%	<b>10.8%</b>	
Return on Assets	4.9%	<b>5.7%</b>	
Return on Equity	29.9%	<b>33.2%</b>	
NPA%	0.8%	<b>0.9%</b>	

**Note - Repco Home holds about 32% in Repco MSME**

For any Investor Relations queries, please contact:

**Bala S , Investor Relations**  
**Repco Home Finance Limited**

Phone: +91 44 42106650

Email: [bala@repcohome.com](mailto:bala@repcohome.com)

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