



**GRUH
FINANCE
LIMITED**

We help you build homes

SEC: 2019
July 30, 2019

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

BSE Code No: 511288

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 – June 30, 2019

Please find enclosed a copy of Investor Presentation for the quarter ended June 30, 2019.

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

Registered Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.

Tel. : (91) (79) 2642 1671-75, 2656 0649

CIN : L65923GJ1986PLC008809 - Website : www.gruh.com



GRUH

GRUH Finance Limited

JUNE 2019



GRUH PROFILE



- Promoted by HDFC & AKFED on July 21, 1986
- Commenced operations in 1988 from Ahmedabad
- Regulated by National Housing Bank (NHB)
- Recognized by NHB for Refinance facility
- Retail Network of 196 offices across 11 States & one Union Territory
- Consistent track record of Dividend Payout

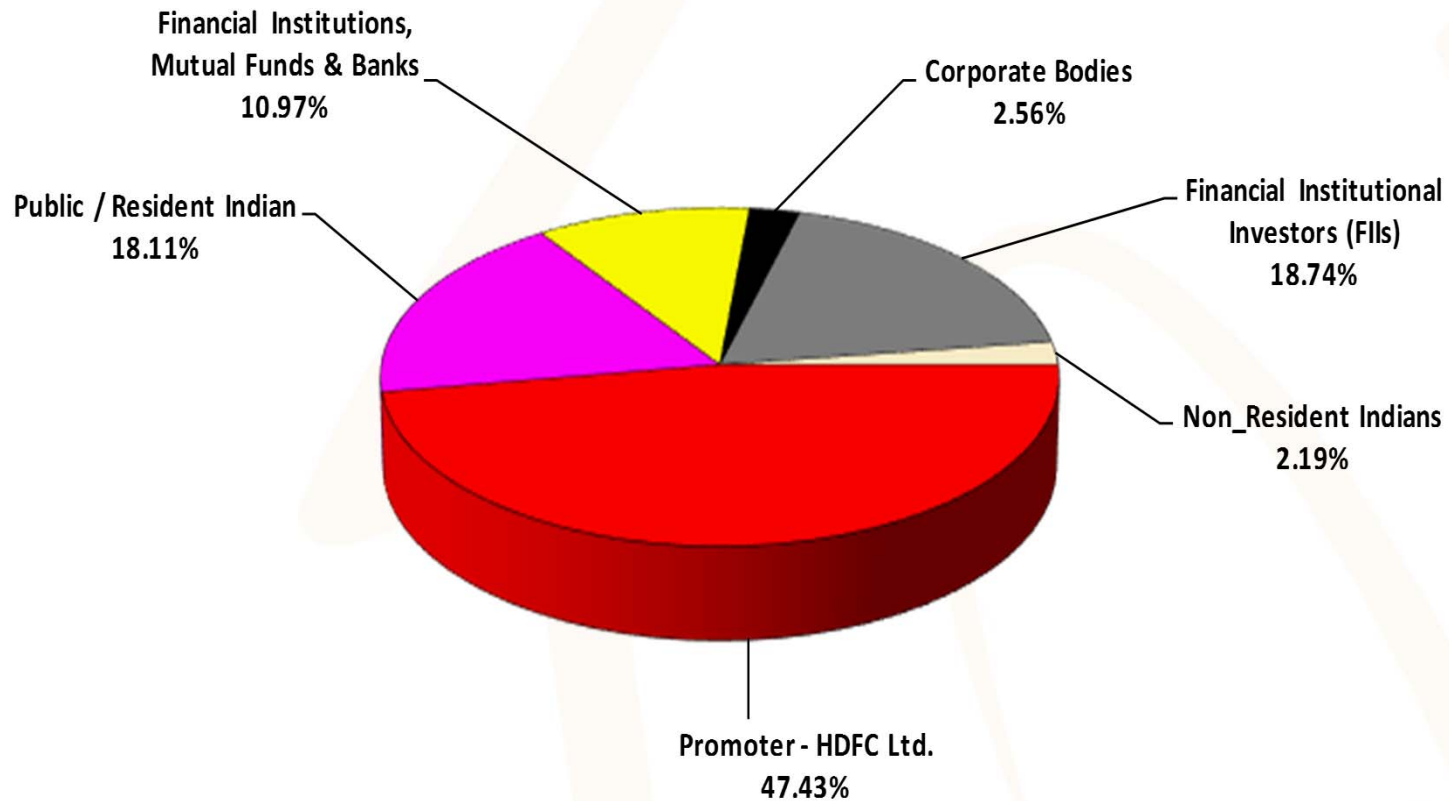


Merger

The Board of Directors of the Company, at its meeting held on January 7, 2019, approved a Scheme of Amalgamation, for the merger of GRUH Finance Limited with Bandhan Bank Limited with effect from proposed Appointed Date of January 1, 2019. In this regards, Competition Commission of India, Shareholders, Secured and Unsecured Creditors of the Company have approved proposed scheme of merger. No objection has been received from National Housing Bank, BSE and NSE. The scheme remains subject to receipt of approval of National Company Law Tribunal. The proposed transaction does not have any impact on the current financial statement of the Company as at and for the quarter ended June 30, 2019.



Shareholding Pattern as on June 30, 2019



Ratings

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

“These ratings indicate high safety with regard to timely payment of interest and principal”

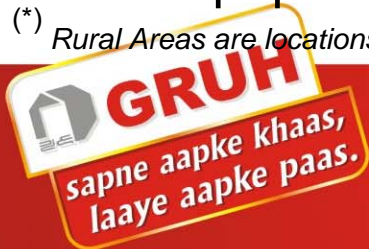
@ indicates ‘Rating watch with Negative Implications’ post-merger announcement on January 7, 2019.



GRUH's contribution to Housing Stock

- Cumulative Housing Units Financed – 4,67,478
- Cumulative Disbursement of ₹ 34,516 Crore
- Cumulative Housing Units Financed in Rural Areas - 2,30,109
- Cumulative Disbursement in Rural Areas^(*) ₹ 13,778 Crore
- Cumulative Disbursement under Pradhan Mantri Awas Yojna (PMAY) since June'2015 ₹ 5,752 Crore for 59,627 Housing units
- Presence in 135 Districts of 11 States
- Servicing customers in 1,121 Taluka places in 11 States and 1 UT
- 95% of the Loans are Retail and 45% of the loans are at locations where population is less than 50,000

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



Performance Highlights



Key Financial Ratio

Key Ratios	As At June'19	As At March'19	As At June'18
Net Interest Margin to ATA (%)	3.84	4.00	4.39
Non-Interest Expense to ATA (%)	0.64	0.68	0.67
Credit Cost to Loan Assets (%)	0.30	0.26	0.27
Loans to Total Assets (%)	86	93	99
Return on Assets (%)	2.58	2.66	2.89
Return on Equity (%)	23.71	25.92	31.06
Cost to Income Ratio (%)	15.66	15.79	14.32
Gross NPAs (%)	0.95	0.66	0.86
Yield on Average Loans (%)	11.49	11.37	11.03
Cost of Borrowings (%)	8.53	8.50	7.40

* ATA – Average Total Assets



Balance Sheet

(₹ in Crore)

	June 2019	June 2018	Growth (%)
<u>Sources of Funds</u>			
Share Capital	146.74	146.29	-
Reserves & Surplus	1863.77	1262.77	48
Borrowings	18429.99	14339.14	29
Current Liabilities & Provisions	370.93	346.43	7
Deferred Tax Liability (Net)	-	110.75	(100)
	20811.43	16205.38	28
<u>Application of Funds</u>			
Loan Assets	17736.91	15912.90	11
Investments	172.87	175.67	(2)
Current Assets	* 2810.58	100.92	2685
Fixed Assets	55.63	15.89	250
Deferred Tax Assets (Net)	35.44	-	100
	20811.43	16205.38	28

(* Includes Liquid Bank Deposits of ₹ 2000 Crore and surplus fund available in current account with bank of ₹ 500 crore)

sapne aapke khaas,
laaye aapke paas.

Income Statement

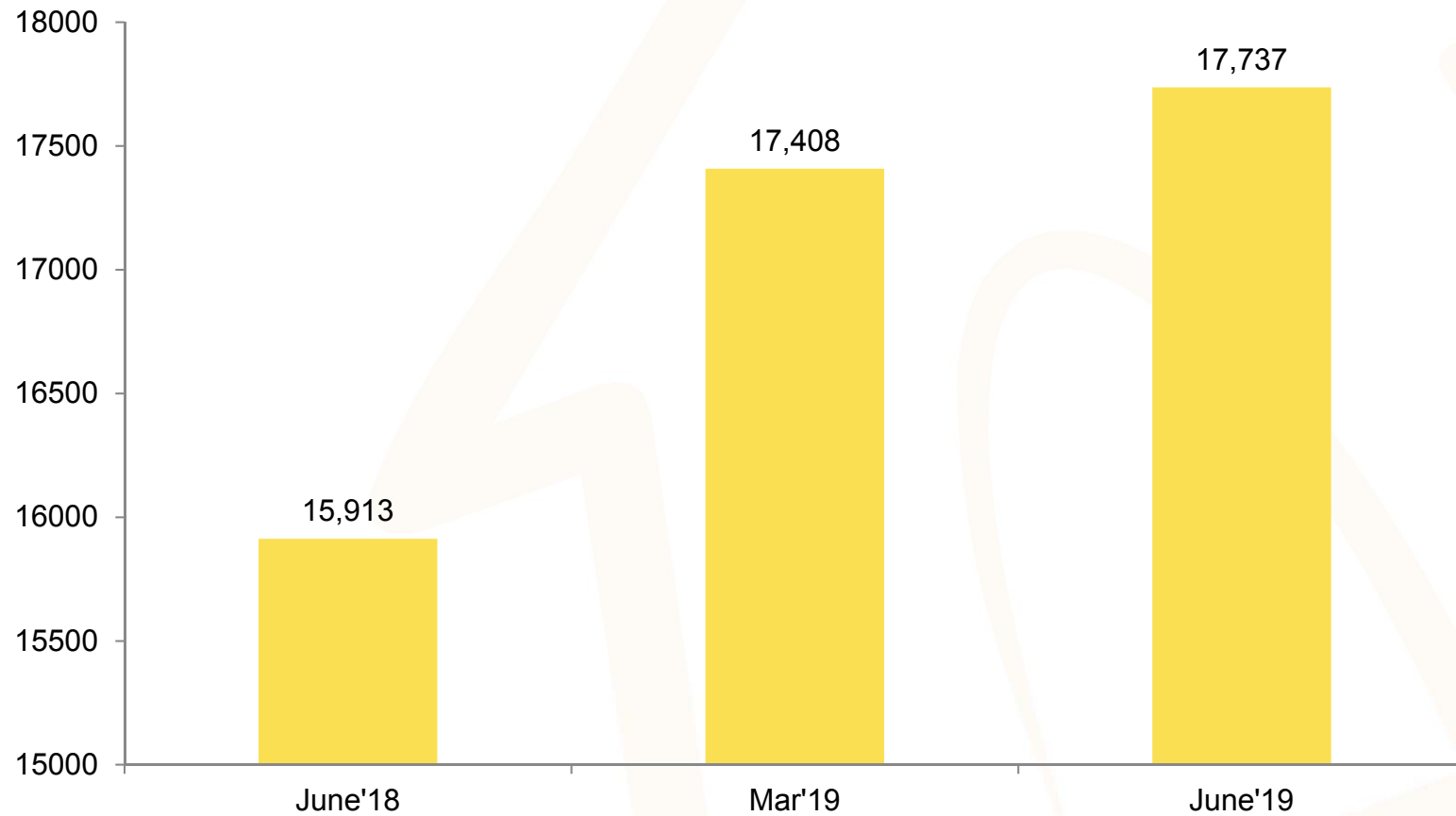
(₹ in Crore)

Particulars	June 2019	June 2018	Growth (%)
Revenue from Operations	532.97	450.95	18
Finance Cost	348.70	263.14	33
Impairment on Financial Instruments	-	2.50	(100)
Employee Benefit Expenses	14.29	14.99	(5)
Depreciation and Amortisation	2.88	0.83	247
Establishment Expenses	1.59	3.19	(50)
Other Expenses	11.59	10.59	9
Profit Before Tax	153.92	155.71	(1)
Provision for Taxation	38.28	40.60	(6)
Profit After Tax	115.64	115.11	-

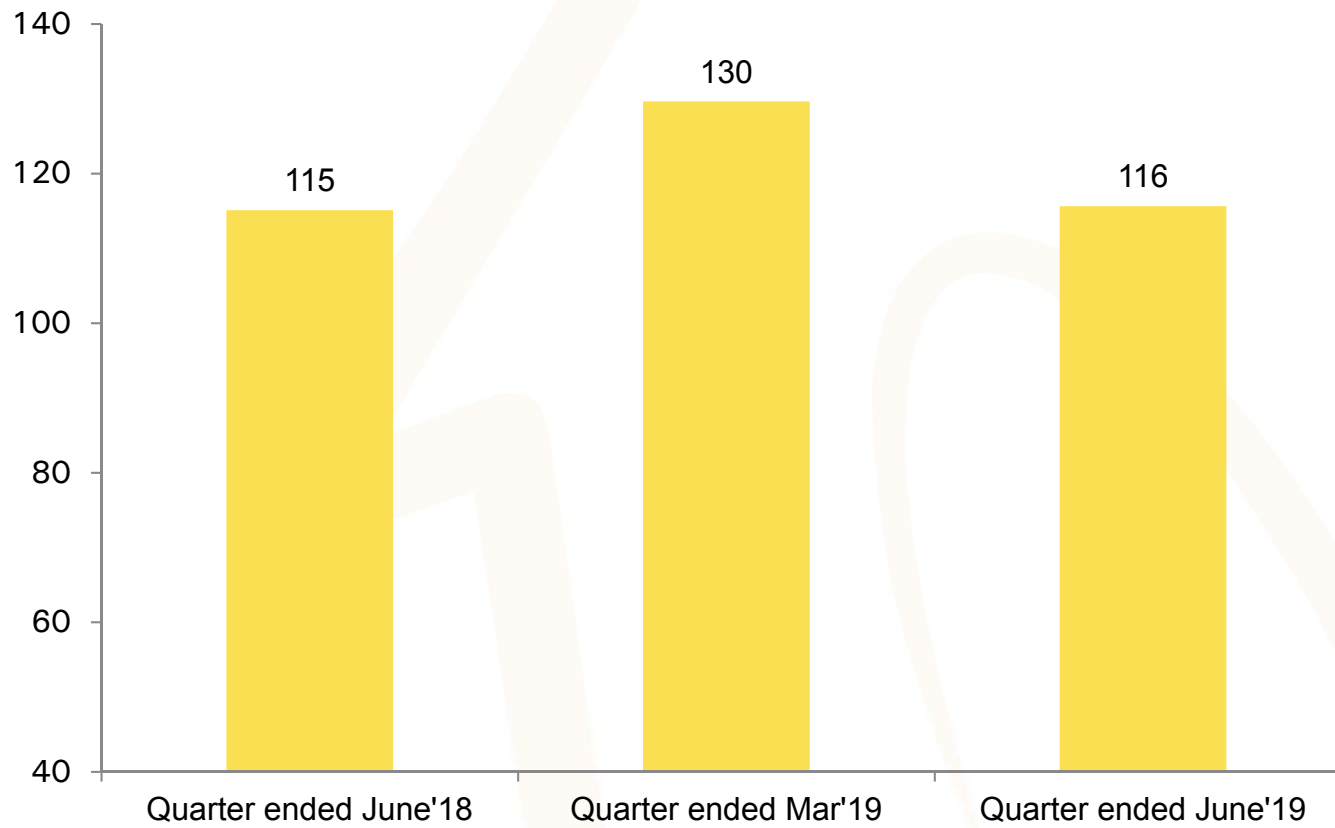
As the Company carries a provision of ₹ 119.58 crore for the expected future credit losses, as against the required provision under the IND-AS of ₹ 53.46 crore (including ₹ 8.30 crore for the quarter), no further provision has been considered necessary for the quarter.



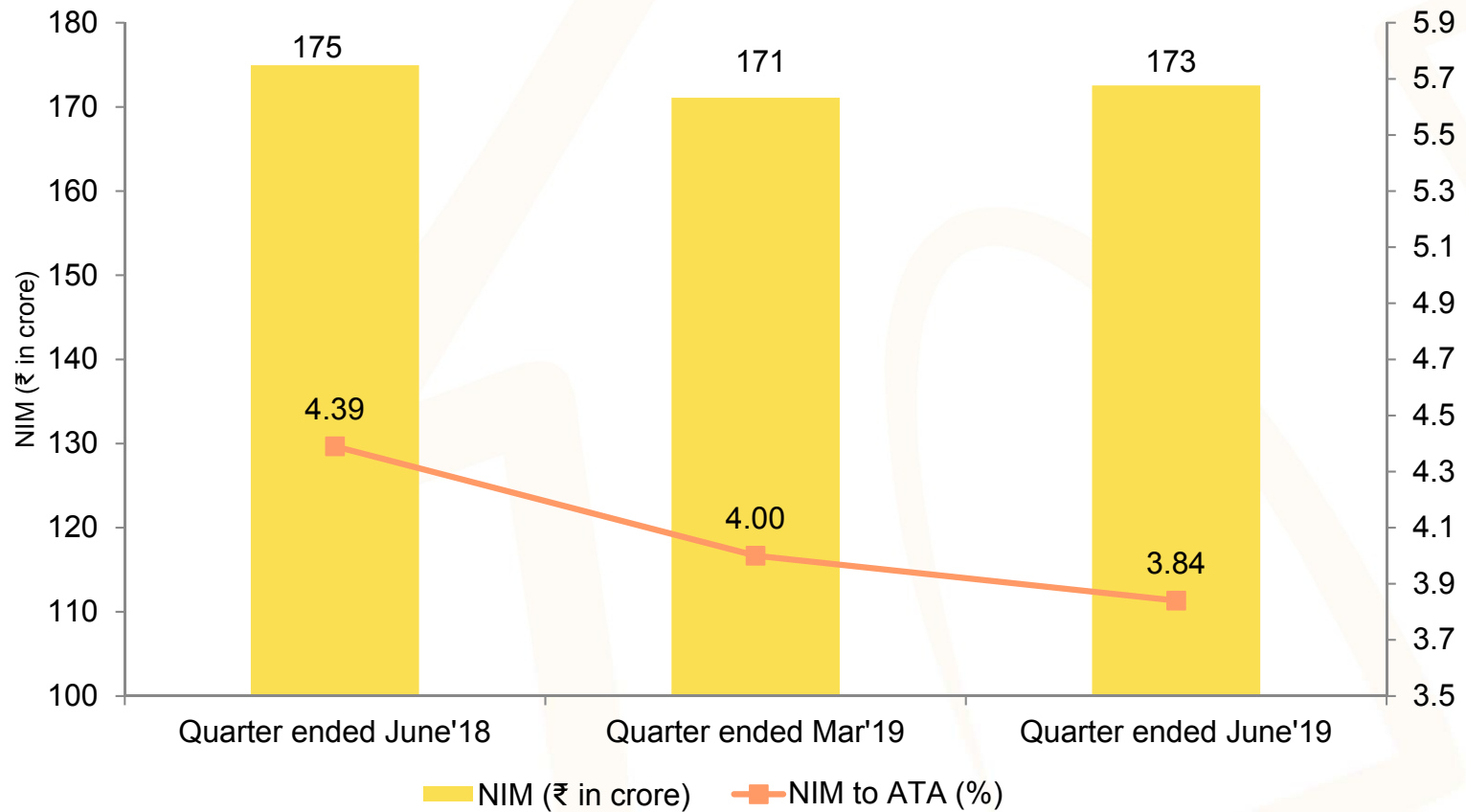
Loan Assets (₹ in crore)



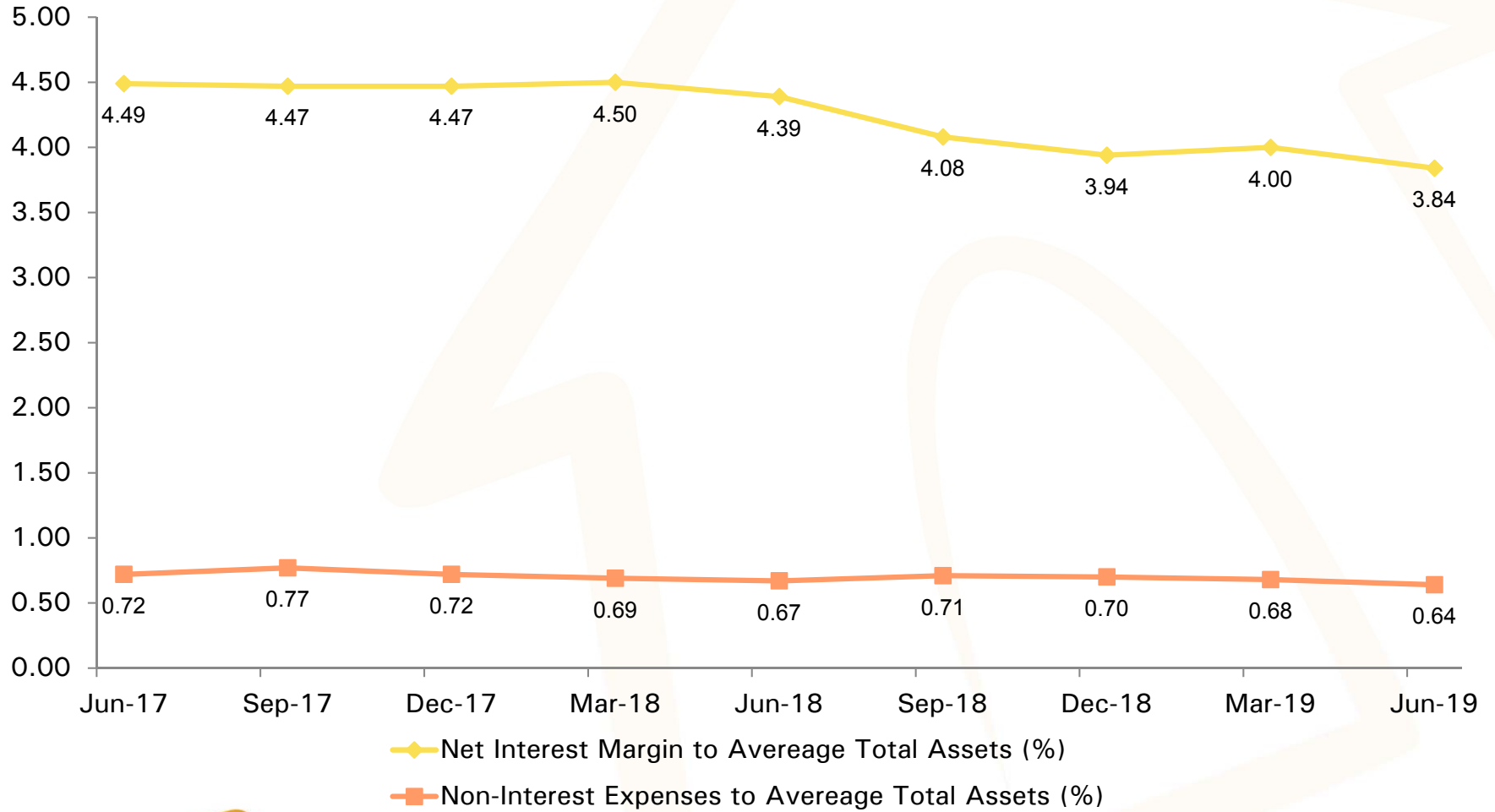
Profit After Tax (₹ in crore)



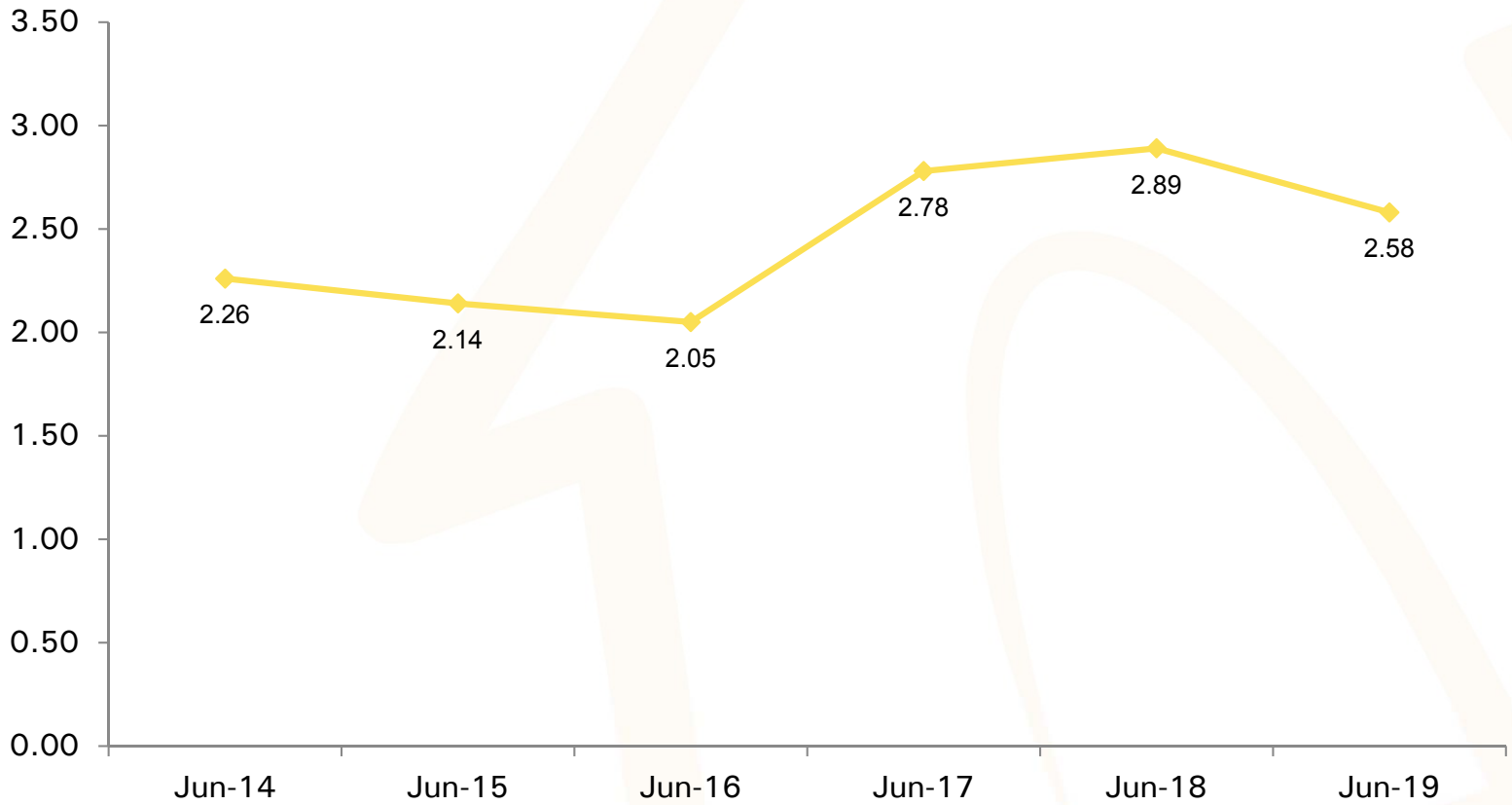
NIM & NIM to Average Total Assets



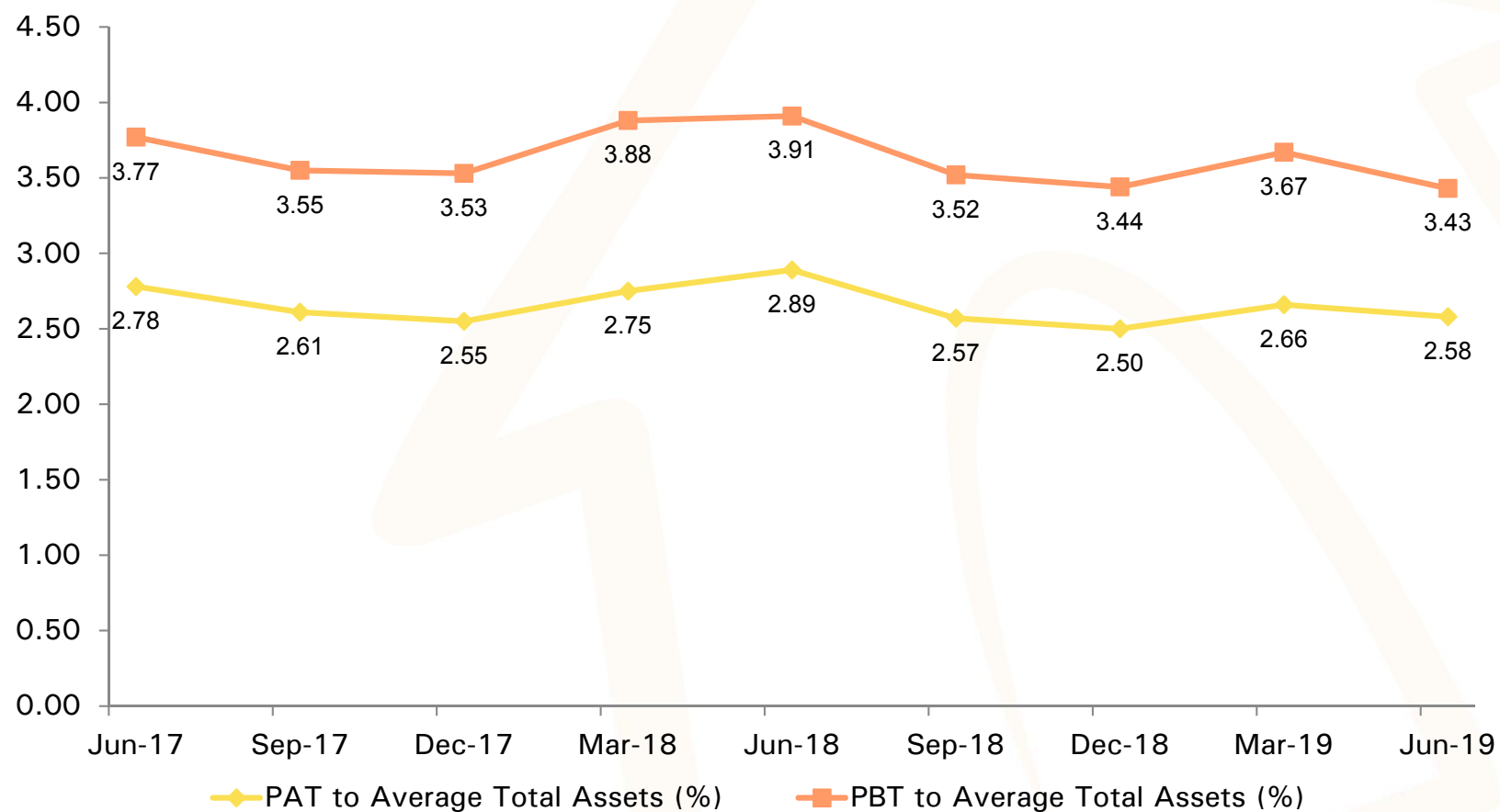
NIM & NIE to Average Total Assets



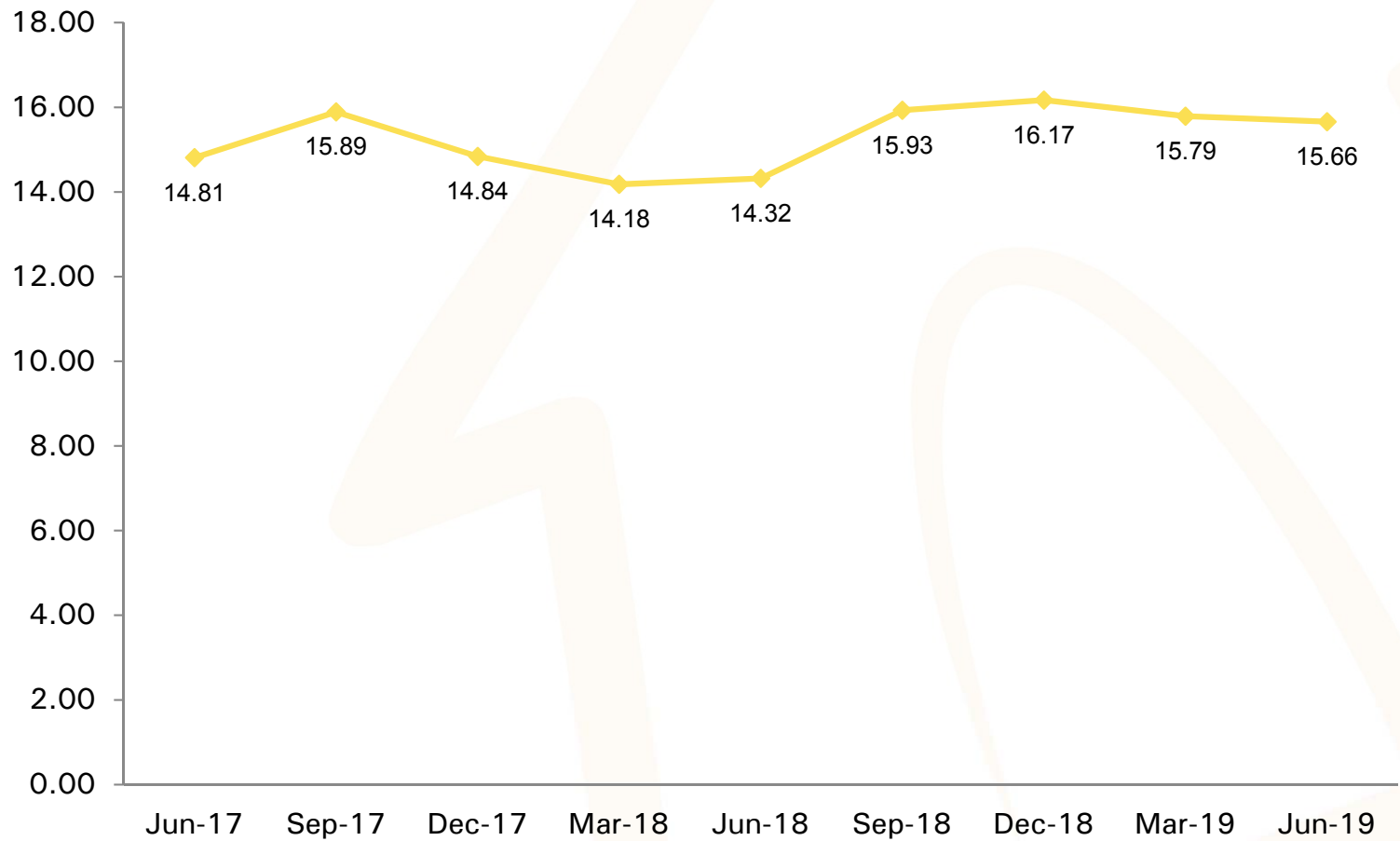
Return on Assets (%)



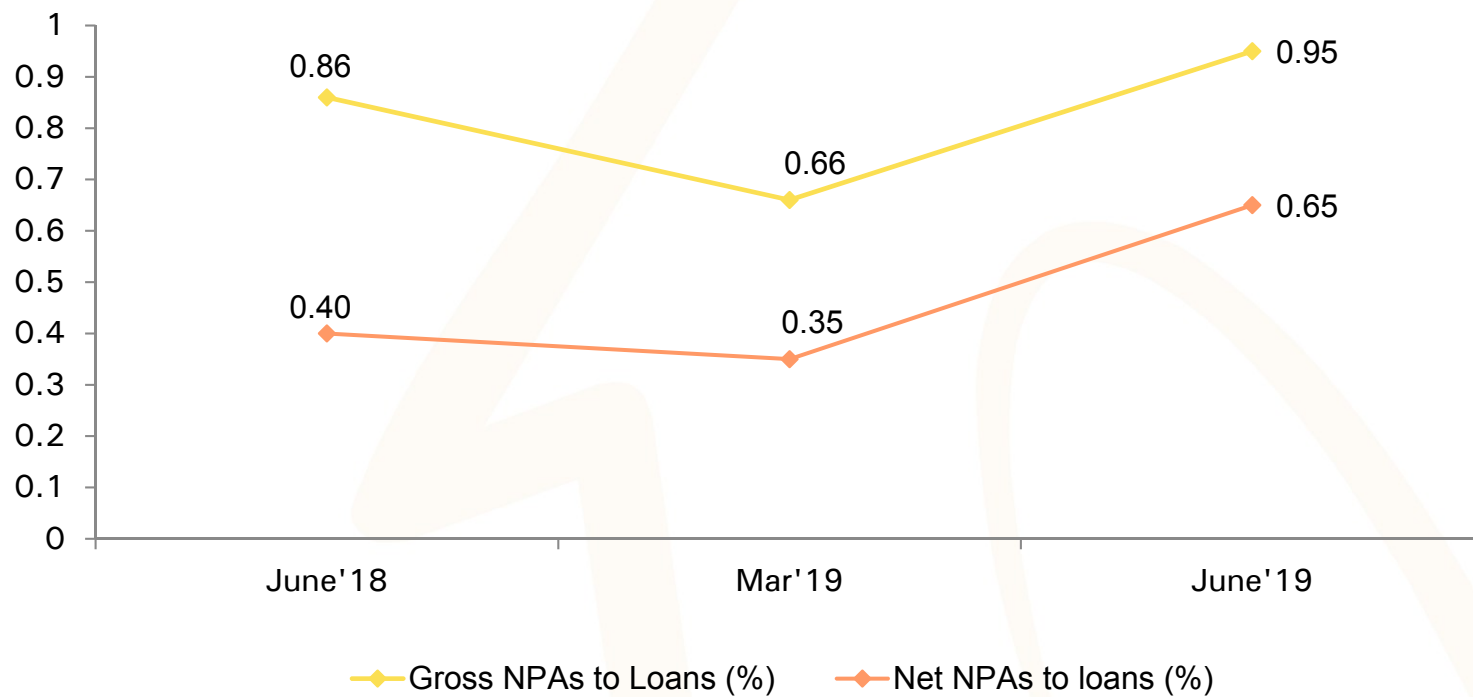
PBT & PAT to Average Total Assets



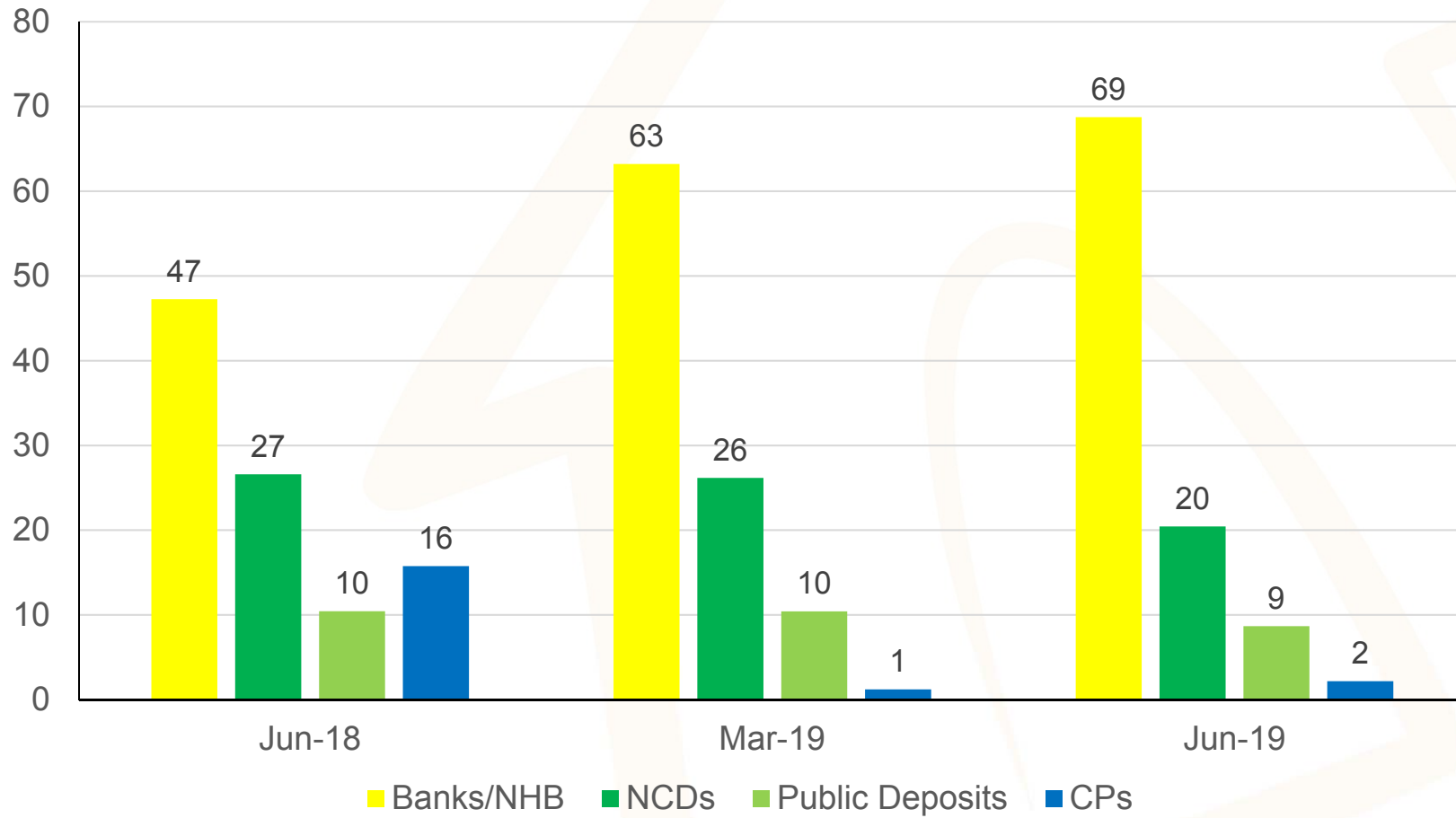
Cost to Income Ratio (%)



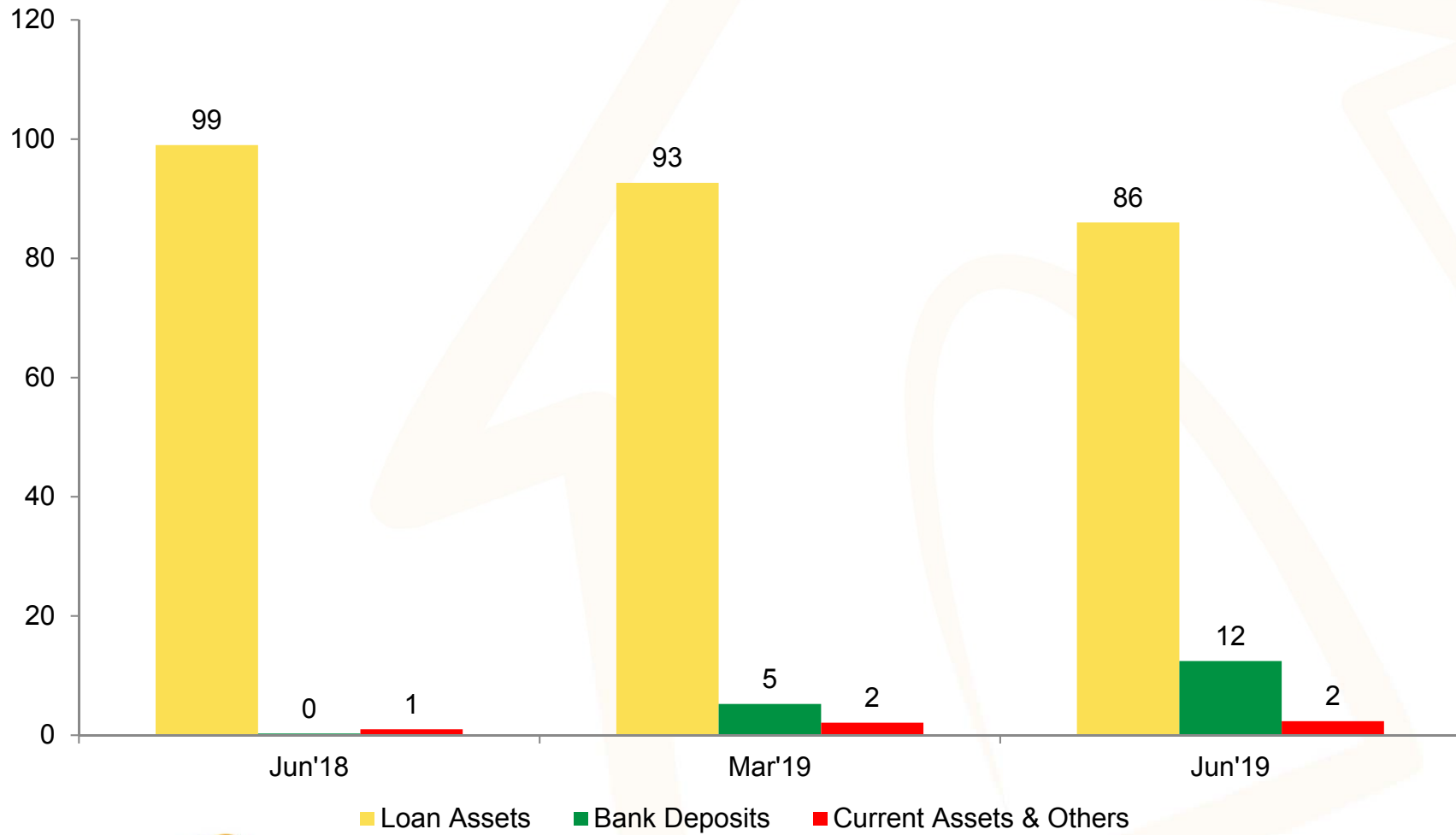
Gross & Net NPAs to Loans (%)



Borrowings Profile



Composition of Assets



NPAs under Ind AS

(₹ in Crore)

Particulars	Q1 FY 1920	FY 1819	Q1 FY 1819
Loan Assets	17,737	17,408	15,913
Stage - III Loan Assets	169	114	136
ECL Provision required as per Ind AS norms on Total Loan Assets	53	45	42
ECL Provision required as per Ind AS on Total Loan Assets (%)	0.30	0.26	0.27
Actual Provisions carried in Books	120	120	99
Actual ECL Provision carried in Books (%)	0.67	0.69	0.62
Excess Provisions carried towards ECL under Ind AS	67	75	57



Stage wise composition of Loan Assets in % under Ind AS

Stage	Q1 FY 1920	FY 1819	Q1 FY 1819
I	94.33	95.58	93.76
II	4.72	3.76	5.38
III	0.95	0.66	0.86
	100.00	100.00	100.00

NPAs under NHB Norms

(₹ in Crore)

Particulars	Q1 FY 1920	FY 1819	Q1 FY 1819
Gross NPAs	169	114	136
Gross NPAs (%)	0.95	0.66	0.86
Minimum Provisions required as per NHB Norms:			
- Standard Assets	52	51	47
- NPAs	40	31	30
	92	82	77
Excess Provisions carried towards			
- Standard Assets	16	17	19
- NPAs and Contingencies	13	22	43
	29	39	62
Actual Provisions carried in Books	121	121	139
Net NPAs (%)	0.65	0.35	0.40



OUTSTANDING PORTFOLIO

Composition of Outstanding Loan Portfolio

(₹ in Crore)

	As At June 30, 2019		As At June 30, 2018		Growth
	Amount	%	Amount	%	%
Individuals					
Housing	14665.12	83.13	13105.35	82.52	11.90
Mortgage	1819.83	10.32	1711.45	10.78	6.33
NRP loans	333.17	1.89	354.08	2.23	(5.91)
Developers					
Construction	823.15	4.66	711.23	4.48	15.74
Total	17641.27	100.00	15882.11	100.00	11.08



Profile of Individual Loans

Operations Details	June 2019	March 2019	June 2018
1. Average loan per unit (Rs. In Lac)	8.27	8.19	7.90
2. Avg. cost per dwelling unit (Rs. In Lac)	13.53	13.35	12.86
3. Average FOIR (%)	36	38	38
4. Average LCR (%)	67	69	69



Key Financial Ratios

As on March 31,

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Capital Adequacy Ratio* (%)	20.30	18.90	18.32
Tier – I	19.26	17.68	16.82
Tier –II	1.04	1.22	1.50

** Minimum Regulatory Requirement of 12%*

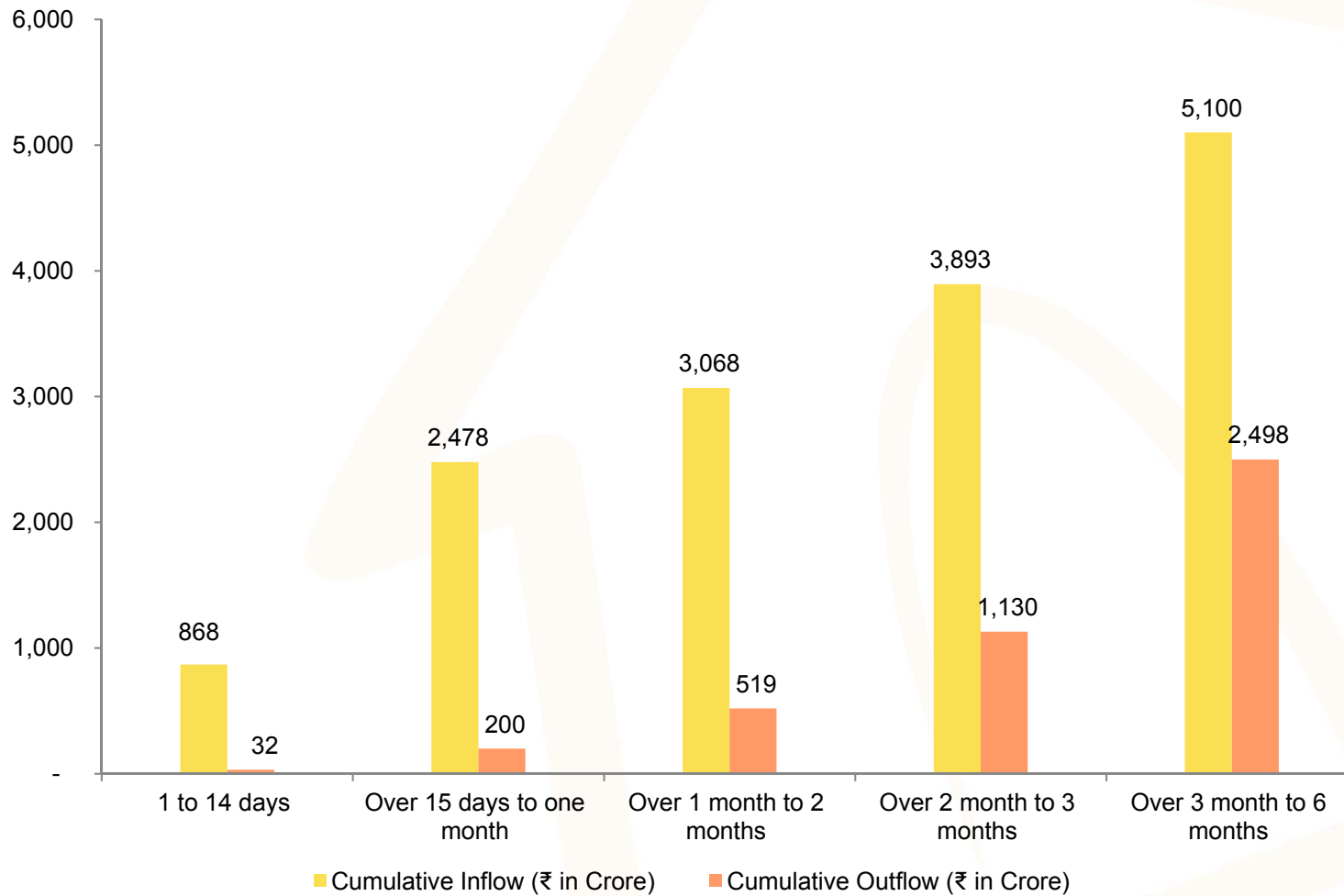
Productivity Ratios

As on

	Q 1 FY19-20	FY18-19	Q 1 FY18-19
Average No. of Employees	687	685	684
Average No. of Retail offices	195	195	190
Profit After Tax Per Employee (₹ in Lac)	67	65	67
Total Assets Per Employee (₹ in Lac)	3,032	2,774	2,371



ALM Structural Profile as on June 30, 2019



Awards and Accolades

- Winner in Affordable Housing Finance Category at the Outlook Money Awards 2017.
- Best Performing Primary Leading Institution under CLSS for EWS/LIG segment
- Highest number of loans to EWS segment under CLSS for EWS/LIG.
- CNBC Bajar Gujarat Ratna Award 2015-16 for “Excellence in Financial Sector” Gujarat.
- Award under the Chief Minister Awas Yojna Scheme for Affordable Housing for servicing highest customers in the LIG segments in Gujarat Housing Board (GHB) Scheme.
- ICAI awards for excellence in financial reporting for year 2007-08 and 2010-11.
- South Asia Federation of Accountants (SAFA) awards for excellence in financial reporting for year 2010-11.
- ICAI Award 2015 to GRUH’s MD under the CA Business Leader - Financial Sector category.
- Silver Trophy of The Financial Express under CFO category “CFO of the year Award 2017” in the Large Enterprises – Services Category.



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- GRUH Finance Ltd. -



Thank You



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laaye aapke paas.