

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

Date: 02.11.2017

To,
Department of Corporate Services
BSE Limited
Mumbai- 400 001

Respected Sir/Madam,

**SUBJECT: PRESS RELEASE OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017**

With reference to above, we hereby provide the press release in respect of Unaudited Financial Results for the Quarter & Half Year Ended September 30, 2017.

This is for your information and record. Kindly acknowledge receipt.

Thanking You,

With Regards,

For SRG Housing Finance Limited


Vinod K. Jain
(Managing Director)
DIN: 00248843



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SRG Housing Finance Ltd. – Press Release

The Board of Directors of SRG Housing Finance Ltd. have approved the Unaudited Financial Results for quarter & half year ended September 30, 2017 at their meeting held in Udaipur on Thursday November 2, 2017.

FINANCIAL RESULTS

Quarter Performance:

During the quarter ended September 30, 2017, **Net Interest Income** registered a **growth of 106.32%** to Rs. 3.92 Cr while **Profit after Tax** registered a **growth of 175.36%** to Rs. 1.90 Cr.

Half Year Performance:

During the half year ended September 30, 2017, **Net Interest Income** registered a **growth of 81.55%** to Rs. 6.79 Cr while **Profit after Tax** registered a **growth of 153.68 %** to Rs. 3.45 Cr.

Particulars	Quarter Ended			Half Year Ended		(Rs. In Cr.)
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	Growth (Quarterly)
Revenue from Operations	7.42	5.98	3.23	13.40	6.35	129.72%
Net Interest Income	3.92	2.92	1.90	6.79	3.74	106.32%
Profit Before Tax	2.82	2.31	1.03	5.13	2.03	173.79%
Profit After Tax	1.90	1.55	0.69	3.45	1.36	175.36%
Net worth*	35.45	33.60	17.10	35.45	17.10	107.31%
Loan Assets(AUM)	125.04	100.04	58.13	125.04	58.13	115.10%
Total Operating Expenses	2.28	1.56	0.92	3.78	1.79	-
Cost to Income Ratio (%)	44.65	40.32	47.13	42.42	46.92	-
GNPA (%)	1.27	1.32	1.01	1.27	1.01	-
NNPA (%)	0.69	0.62	0.44	0.69	0.44	-
Loan Disbursement	29.79	24.74	8.61	54.53	11.48	245.99%

* Includes the impact of increase in equity capital due to preferential issue done during the FY 2016-17.



LENDING OPERATIONS

Loan Portfolio:

The loan portfolio as at September 30, 2017 amounted to Rs. 125.04 Cr as against Rs. 58.13 Cr in the corresponding period of the previous year – an increase of 115.10%.

The loan mix, as at September 30, 2017 stood at 77.94% Housing Loans, 13.40% LAP Loans and 8.66% Builder Loans as against 67.94% Housing Loans, 13.64% LAP Loans and 18.42% Builder Loans in the corresponding period of the previous year.

Loan Type Wise Portfolio Breakup:

	(Rs. In Cr.)		
	September, 2017	September, 2016	Increase
Housing Loans	97.45	39.49	146.77%
Mortgage Loans	16.76	7.93	111.35%
Builders Loan	10.83	10.71	1.12%
Total	125.04	58.13	115.10%

Loan Disbursements:

Total disbursements in the Q2FY18 grew by 245.99% to Rs. 29.79 Cr as against Rs. 8.61 Cr in the Q2FY17.

Total disbursements in the HY1FY18 is Rs. 54.53 Cr as against Rs 11.48 Cr in the HY1FY17 – a growth of 375%.

Net Interest Margin:

The Net Interest Margin to Average Total Assets for the half year ended September 30, 2017 (not annualised) was reported at 6.59% as against 6.55 % in the corresponding period of the previous year.

Return on Assets(ROA):

The Return on Assets for the half year ended September 30, 2017 (not annualised) is reported to be 3.34%.

Return on Equity(ROE):

The Return on Equity for the half year ended September 30, 2017 (not annualised) is reported to be 13.11%.



Borrowings:

Borrowing at the end of the HY1FY18 was **Rs. 97.28 Cr** Vs **Rs. 48.85 Cr** as on the end of HY1FY17.

During the half year ended September 30, 2017, Company issued Secured Rated Listed Redeemable Non-Convertible Debentures amounting to Rs. 25 Crores.

We have a **total sanction limit** with various Banks and Financial Institutions of **Rs. 121.1 Cr** (Partly pending for disbursement).

Non-Performing Loans:

The gross NPA as at HY1FY18 stands at 1.27% as against a Gross NPA for the corresponding period of the previous year at 1.01%.

Net NPA stands at 0.69% as against a Net NPA for the corresponding period of the previous year at 0.44%.

Reason: Although Gross NPA seems higher yoy from 1.01% to 1.27% due to various government initiatives taken post Nov16, the same has come under control qoq due to strong collection efforts of the management lower from 1.57% in March, 2017 to 1.32% in June, 2017 and then at 1.27% in September, 2017.

Net Worth:

Net worth as on **HY1FY18 is Rs. 35.45 Cr** as against **Rs. 17.10 Cr** is HY1FY17- marking a growth of **107.31%**. Growth includes the impact of increase in equity capital during the FY 2016-17.

Retail Network:

SRG operates through its presence in **4 states through 22 branches** excluding the registered office. It has offices in Rajasthan (15), MP (4), Gujarat (2) and Maharashtra (1). Company has opened 4 new branches in the states of Gujarat, Rajasthan and Madhya Pradesh in the FY18. Its registered office is in Udaipur, Rajasthan and Corporate office is situated in Mumbai, Maharashtra.

Appointment of Deloitte Haskins & Sells LLP, Chartered Accountants:

Board of Directors in their meeting held on Tuesday, August 8, 2017 taken note of appointment of **Deloitte Haskins & Sells LLP, Chartered Accountants, for the Management Audit (Specific Account Balance Testing)** for SRG Housing Finance Limited for the financial year 2017-18.



Key Expansion Highlights:

Company has improved its focus on the quality of management with the introduction of qualified professionals having the domain expertise. The company has witnessed a significant increase in the **strength of employees** within the time to reach at headcount of **112 as on HY1FY18** as compared to 35 employees in HY1FY17 marking an **increase of 220%**. In line with the business expansion plan, Company has also opened some new branches in its operating states and these can be seen as major developments contributing to the rise in operating expenses.

Business Highlights:

- **Loan Disbursements:**
Total disbursements in the **Q2FY18** grew by **245.99%** to Rs. 29.79 Cr as against Rs. 8.61 Cr in the Q2FY17.
- **Technological Integration:**
Company has upgraded inhouse ERP systems at par with the industry standards and is moving forward to streamline all the business process in order to enhance the operational efficiency.
- **Net Interest Margin:**
The **Net Interest Margin to Average Total Assets** for the half year ended September 30, 2017 (*not annualised*) was reported at **6.59%** as against 6.55 % in the corresponding period of the previous year.

November 2, 2017



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