

**SCRIP NAME: SRGHFL; SCRIP CODE: 534680; ISIN: INE559N01010**

Date: 04.06.2019

To,  
Department of Corporate Affairs  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001

Dear Sir,

**Subject: Performance Highlights - Q4 FY19**

With reference to above we hereby provide Performance Highlights of the company for the Quarter ended 31<sup>st</sup> March, 2019.

Kindly take the same on record.

Thanking You,

With Regards

For SRG Housing Finance Limited

  
Vinod K. Jain  
Managing Director  
DIN: 00248843



# SRG HOUSING FINANCE LIMITED

## Q4 & FY19 PERFORMANCE HIGHLIGHTS

June 2019

सबके पास  
अपना आवास



**SRG**  
SRG HOUSING FINANCE LTD  
Always with you

# Disclaimer

The information contained in this presentation is only current as of its date. Please note that the past performance of the company is not and should not be considered as, indicative of future results.

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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# Index

**Result Highlights**

**4**

**Outlook**

**25**

**Annexure**

**28**

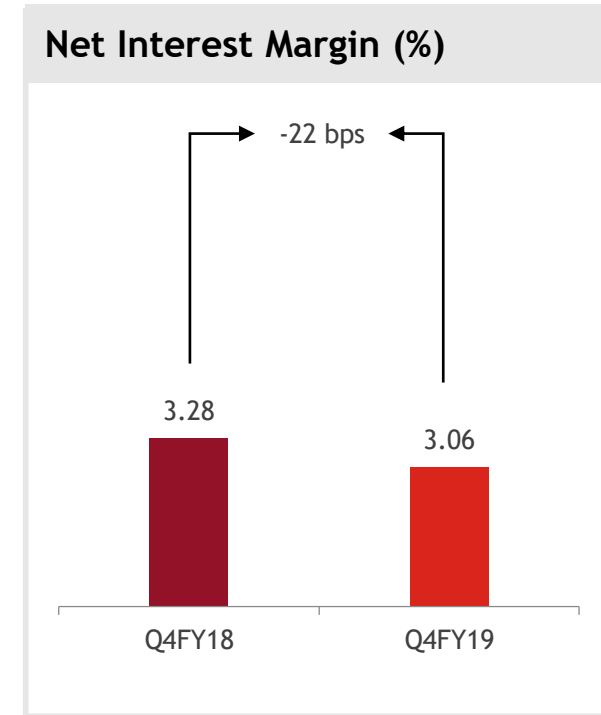
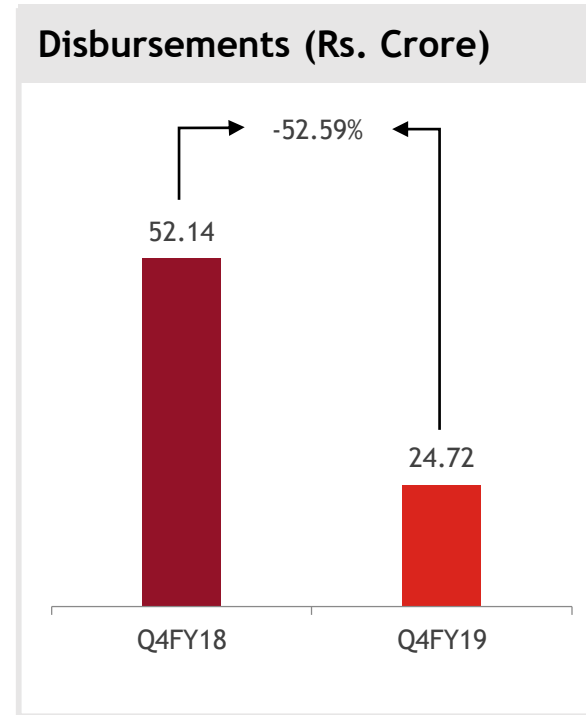
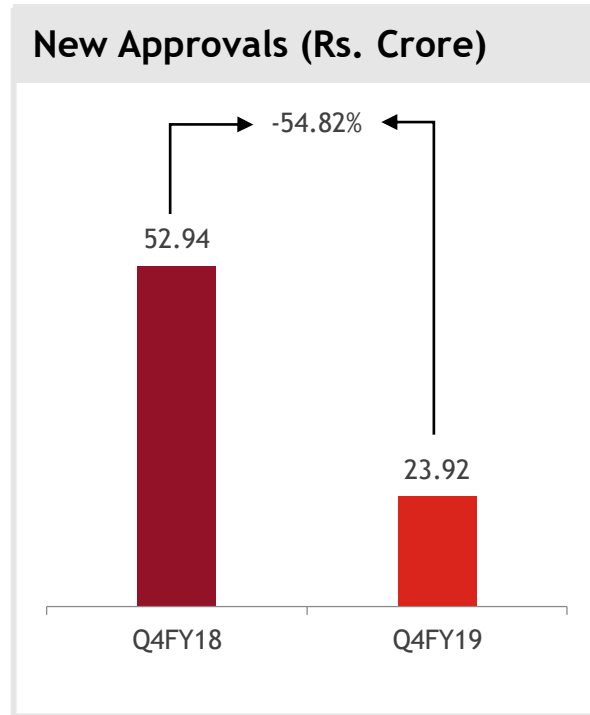
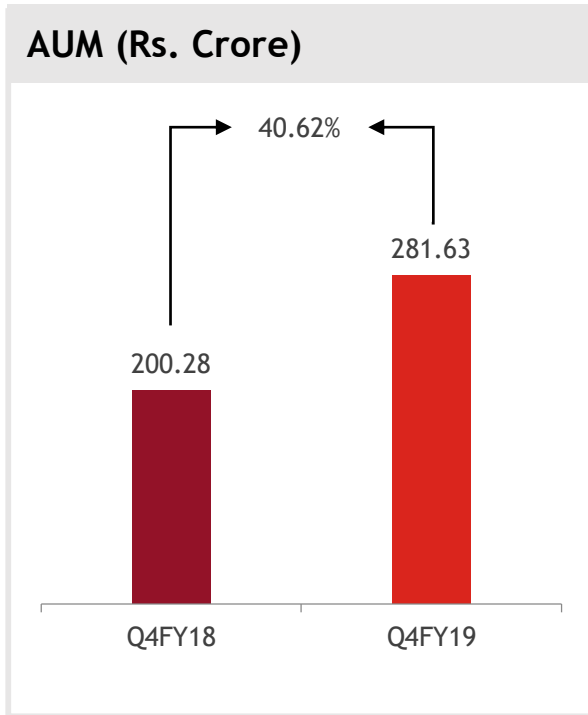




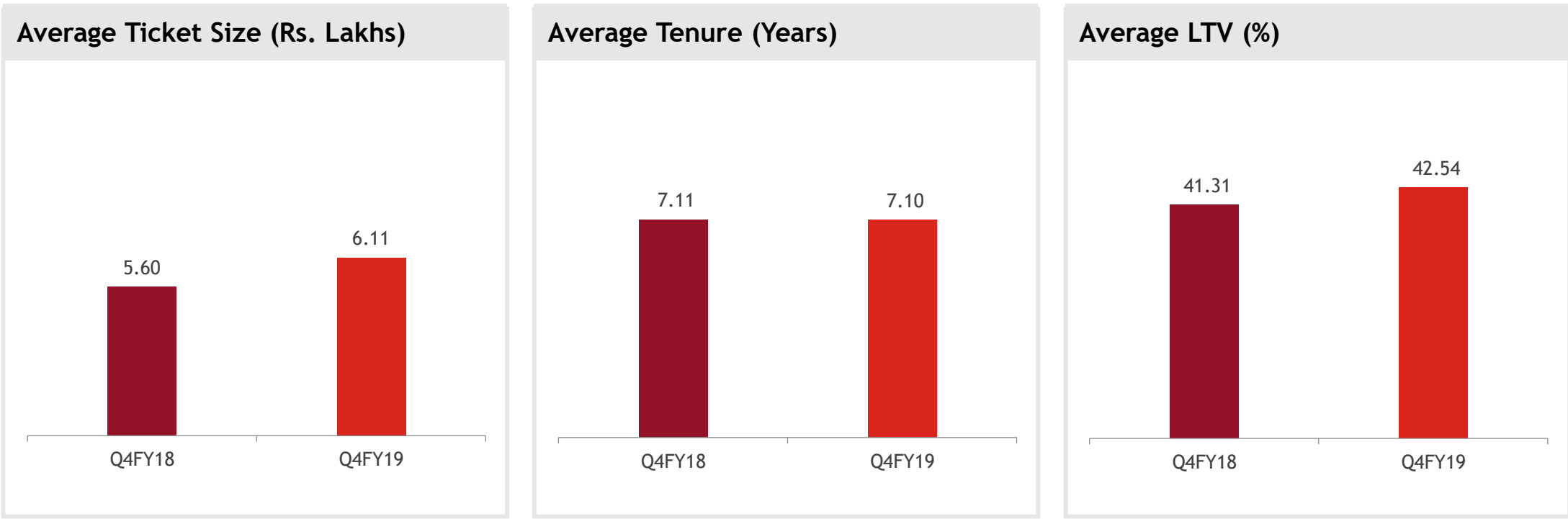
## Result Highlights



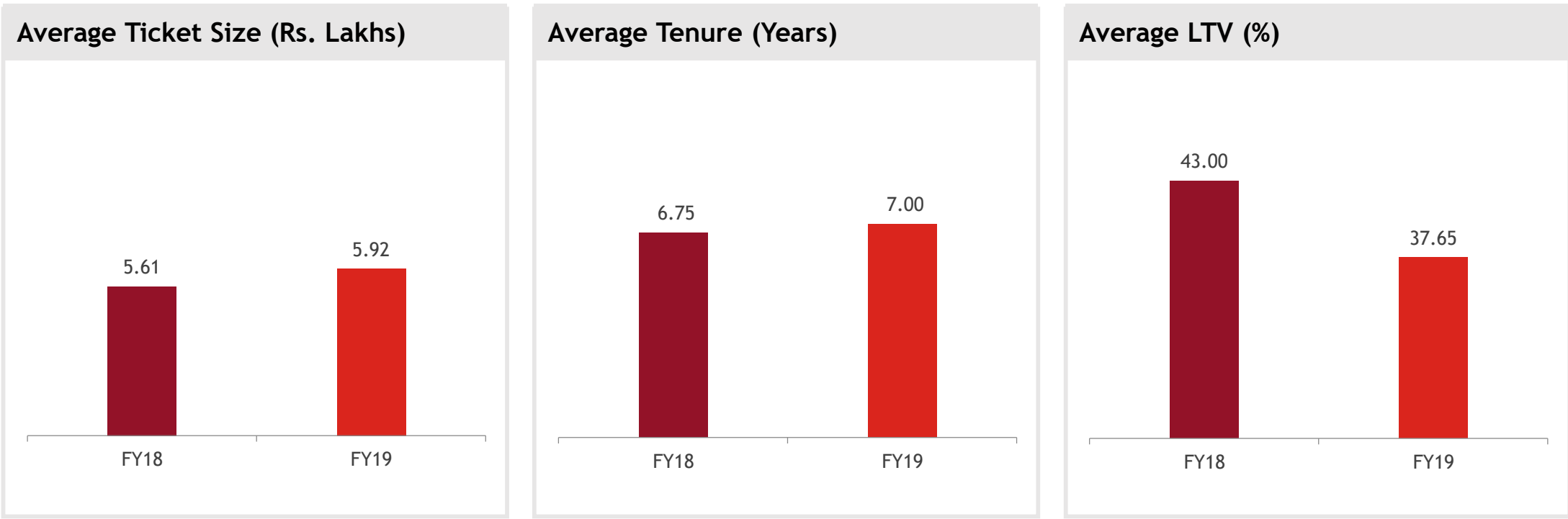
# Q4FY19 Financial Highlights



# Q4FY19 Financial Highlights

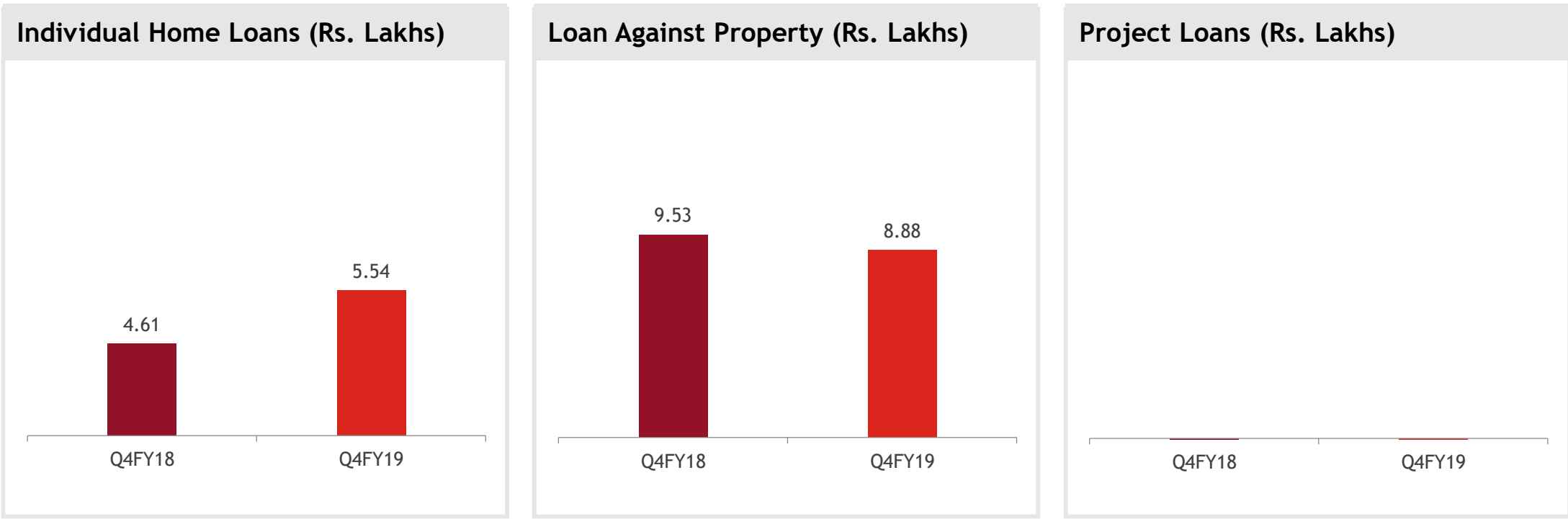


# FY19 Financial Highlights

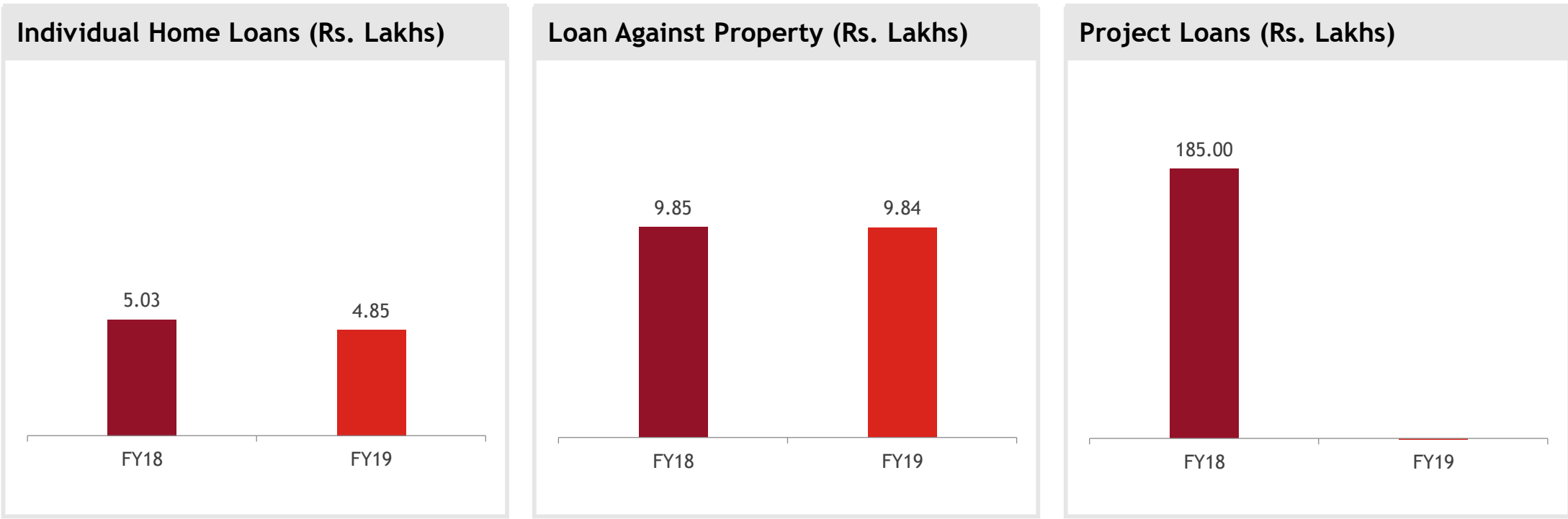




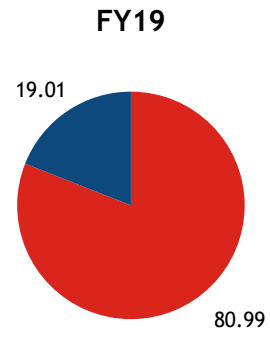
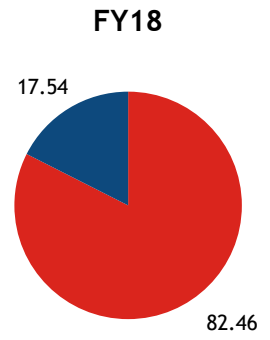
# Q4FY19 Average Ticket Size



# FY19 Average Ticket Size



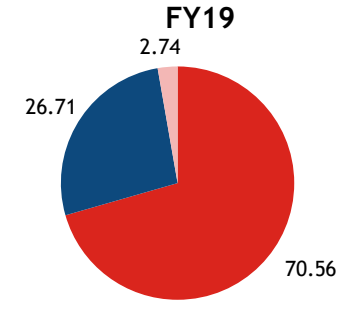
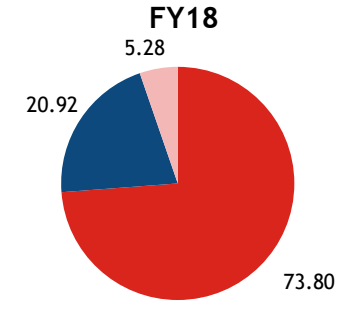
# Business Profile & Mix



■ Self Employed (%) ■ Salaried (%)

■ Self Employed (%) ■ Salaried (%)

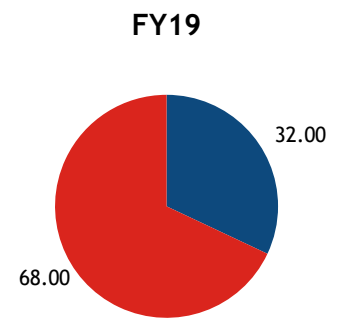
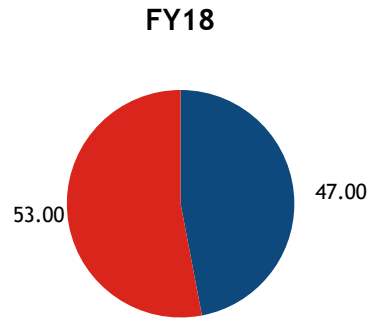
**Customer Profile - Loan Book**



■ Individual Home Loans (%) ■ LAP (%) ■ Project Loans (%)

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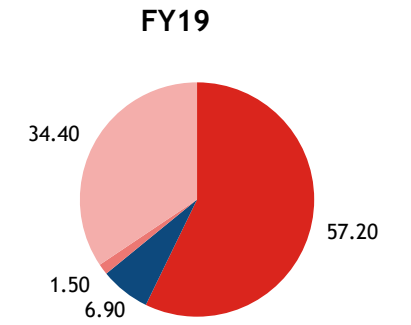
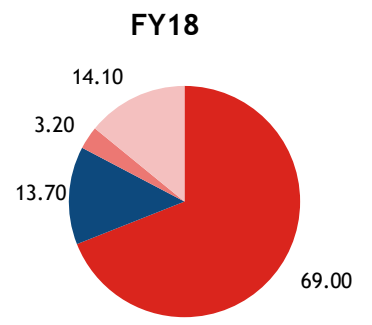
**Loan Book**



■ Direct Sales Agents (DSA) (%) ■ Employees (%)

■ Direct Sales Agents (DSA) (%) ■ Employees (%)

**Business Origination**

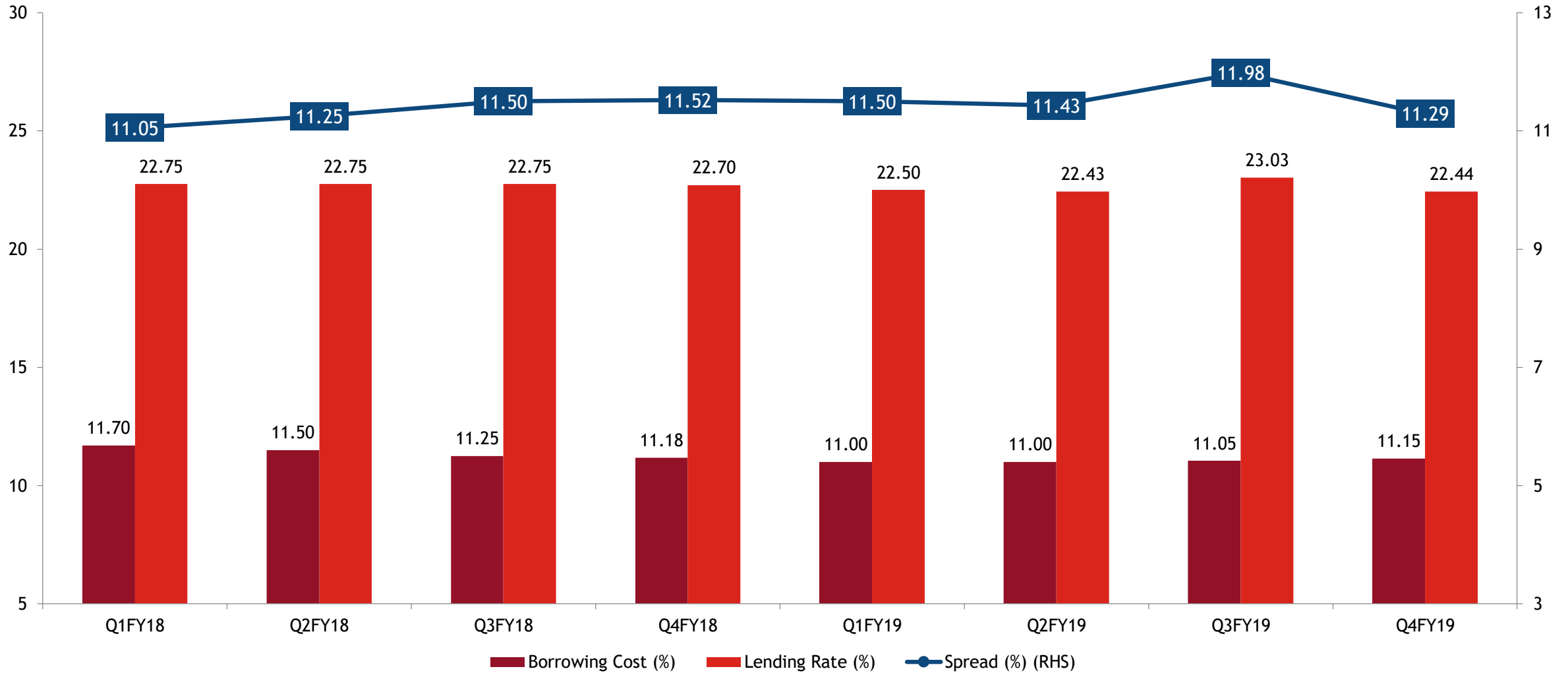


■ Banks (%) ■ NCD (%) ■ NHB (%) ■ FI (%)

■ Banks (%) ■ NCD (%) ■ NHB (%) ■ FI (%)

**Borrowing Mix**

# Loan Spreads - Steady Over Last 8 Quarters



# Financial Table



Rs. Crore	Q4FY19	Q4FY18	Change (%)	FY19	FY18	Change (%)
<b>Interest Income</b>	<b>15.23</b>	<b>9.70</b>	<b>56.96</b>	<b>54.28</b>	<b>29.36</b>	<b>84.88</b>
<b>Financial Cost</b>	<b>6.78</b>	<b>3.88</b>	<b>74.70</b>	<b>23.01</b>	<b>11.27</b>	<b>104.17</b>
Non Interest Income	1.14	1.91	-40.33	5.21	4.90	6.33
Operating Expenses	4.65	2.66	74.81	13.59	9.35	45.35
Provision for Contingencies	0.89	1.29	-31.01	2.37	2.08	13.94
Depreciation	0.16	0.12	33.33	0.55	0.44	25.00
<b>Profit Before Tax (PBT)</b>	<b>3.89</b>	<b>3.66</b>	<b>6.19</b>	<b>19.97</b>	<b>11.12</b>	<b>79.59</b>
Taxes	1.14	0.97	17.53	5.80	3.04	90.79
<b>Profit After Tax (PAT)</b>	<b>2.75</b>	<b>2.69</b>	<b>2.10</b>	<b>14.17</b>	<b>8.08</b>	<b>75.37</b>
<b>Earnings Per Share (EPS Rs.)</b>	<b>2.11</b>	<b>2.07</b>	<b>2.10</b>	<b>10.90</b>	<b>6.21</b>	<b>75.52</b>

# Profit & Loss Statement - Quarterly

Rs. Crore	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19
<b>Interest Income</b>	5.35	6.38	7.93	9.70	11.57	12.73	14.76	15.23
<b>Financial Cost</b>	2.19	2.34	2.86	3.88	4.91	5.22	6.10	6.78
Non Interest Income	0.62	1.04	1.33	1.91	1.26	1.44	1.37	1.14
Operating Expenses	1.40	2.14	3.15	2.66	2.62	2.99	3.33	4.65
Provision for Contingencies	0.48	0.00	0.31	1.29	0.87	0.22	0.39	0.89
Depreciation	0.08	0.11	0.13	0.12	0.11	0.14	0.14	0.16
<b>Profit Before Tax (PBT)</b>	1.82	2.83	2.81	3.66	4.32	5.60	6.16	3.89
Taxes	0.63	0.93	0.51	0.97	1.19	1.67	1.80	1.14
<b>Profit After Tax (PAT)</b>	1.19	1.90	2.30	2.69	3.13	3.93	4.36	2.75

<b>Key Metrics</b>								
Net Interest Income (NII Rs. Crore)	3.16	4.04	5.07	5.82	6.66	7.51	8.66	8.45
Net Interest Margin (%)	3.48	3.59	3.62	3.28	3.14	3.18	3.33	3.06
Gross NPA (% AUM)	1.32	1.27	1.27	1.50	1.76	1.72	1.72	1.96
Net NPA (% AUM)	0.62	0.69	0.64	0.50	0.50	0.47	0.46	0.46
Return on Average Assets (RoAA %)	1.07	1.52	1.49	1.40	1.35	1.53	1.52	0.87
Return on Average Equity (RoAE %)	3.44	5.25	6.02	6.61	7.18	8.42	8.65	5.06
Earnings per share (EPS Rs.)	0.92	1.46	1.77	2.07	2.41	3.02	3.36	2.11
Cost to income Ratio (%)	39.15	44.29	51.25	35.96	34.47	34.97	34.62	50.17



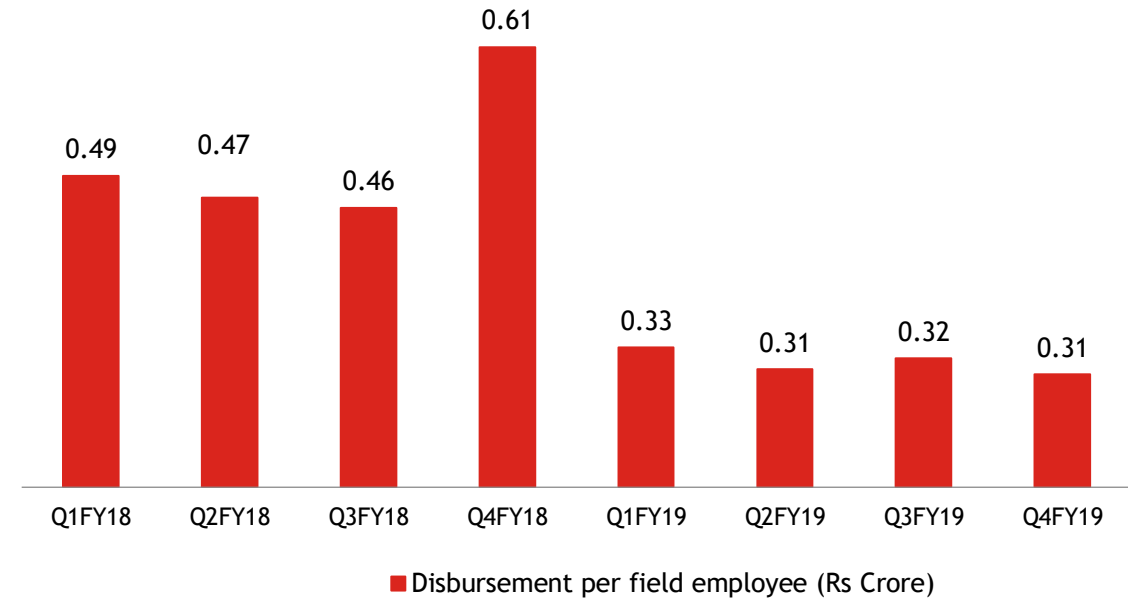
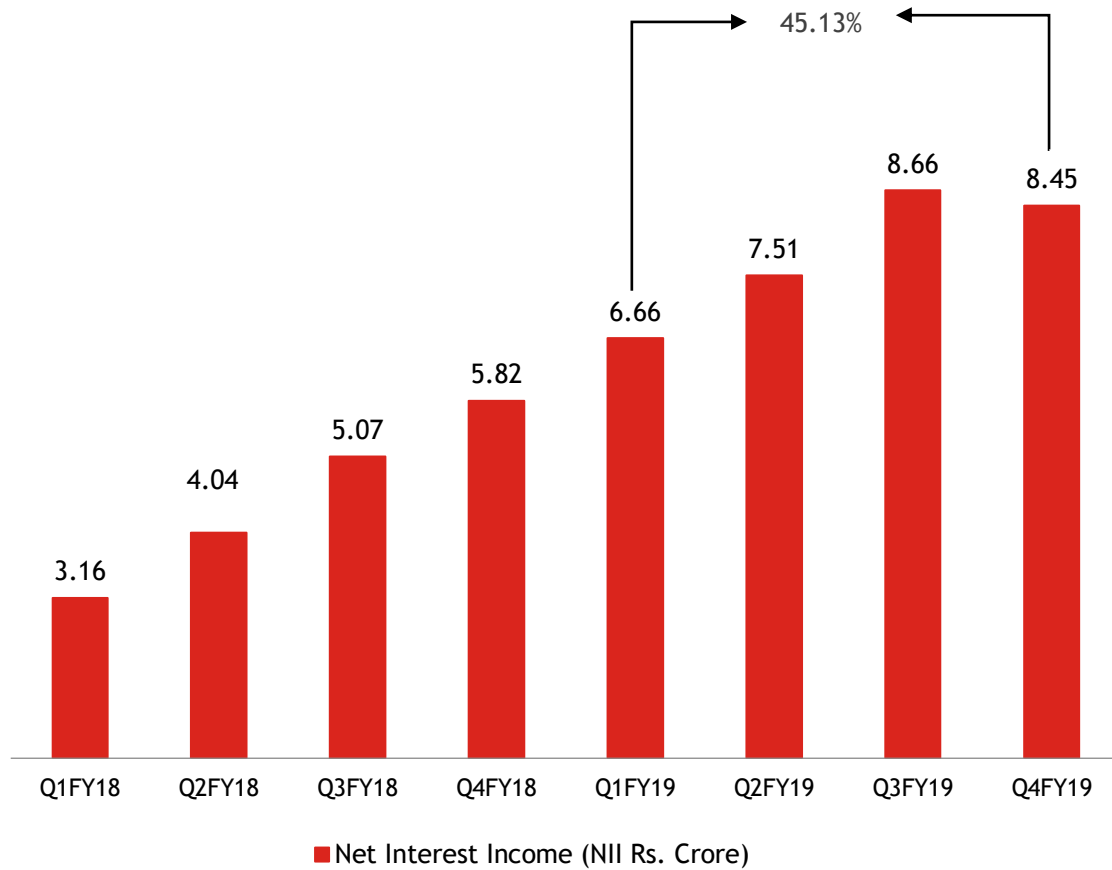
# Extract of Liquidity Position till June 2019

Particulars	Apr-19	May-19	Jun-19
Cash and Cash equivalents*	16.90	18.51	20.28
Current Investments	0.42	0.42	0.42
<b>Inflows</b>			
EMI / PEMI (excluding prepayments)	7.39	7.50	7.46
Total Inflows	24.71	26.43	28.16
<b>Outflows</b>			
Bank/FI (Interest+ Principal)	5.61	5.56	6.63
NCD (Interest+ Principal)	0.59	0.59	0.59
Commercial Paper	0.00	0.00	0.00
Total Outflows	6.20	6.15	7.22
Surplus	18.51	20.28	20.94

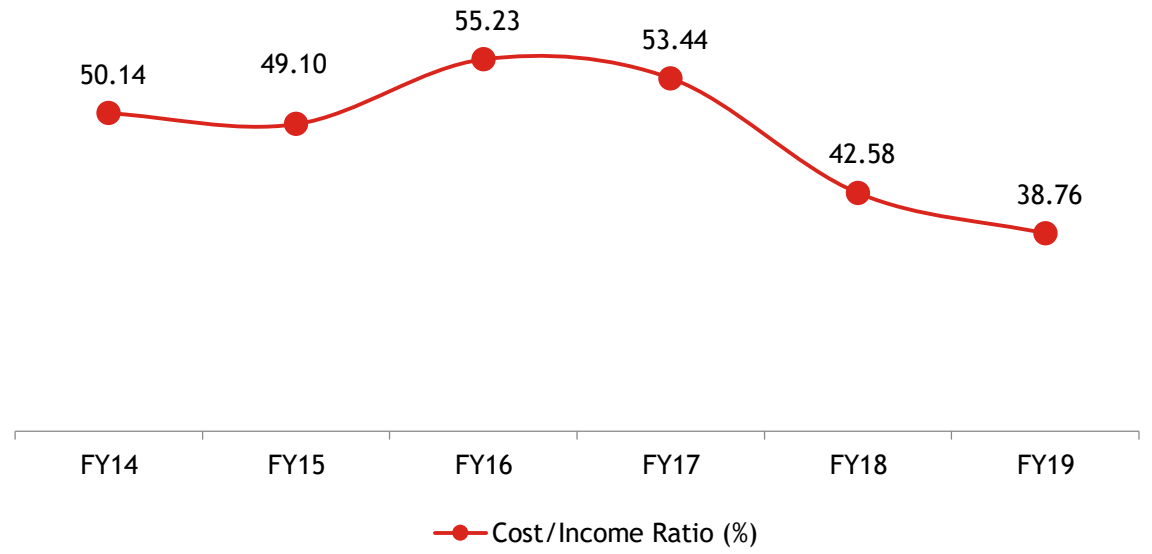
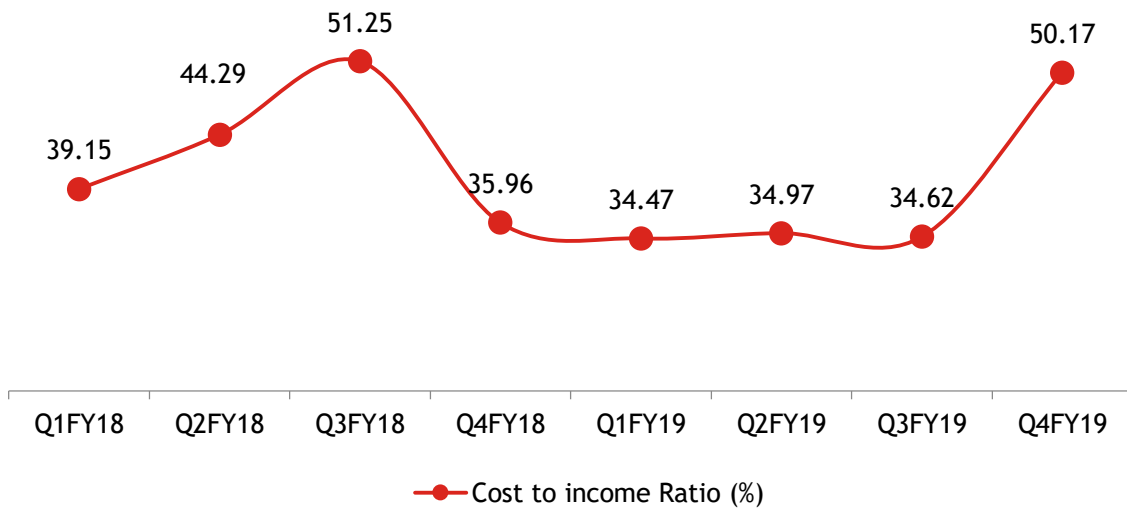
- Cash and cash equivalents does not includes FDR's amounting to Rs. 11.57 Cr. Pledged with Lenders.

**Liquidity to remain in surplus even without considering any resource mobilization**

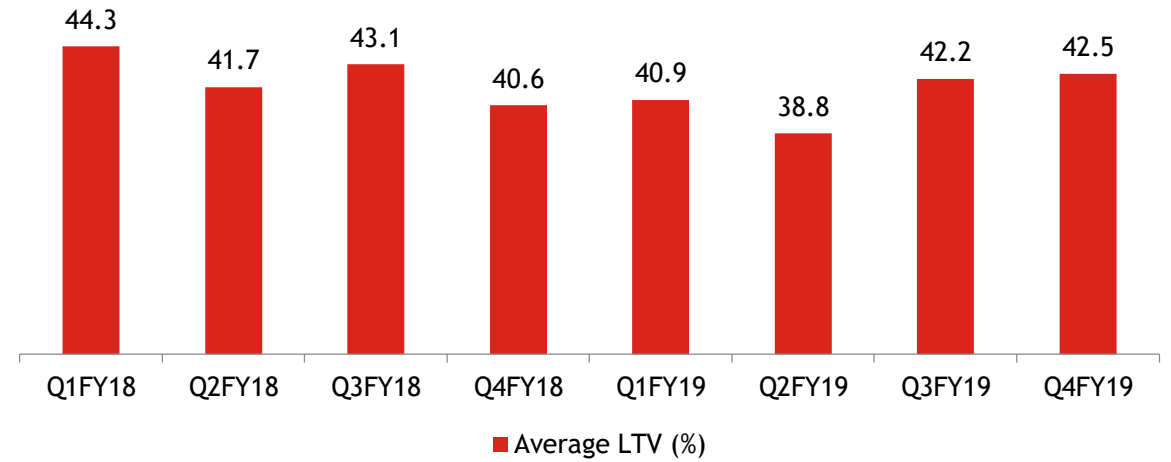
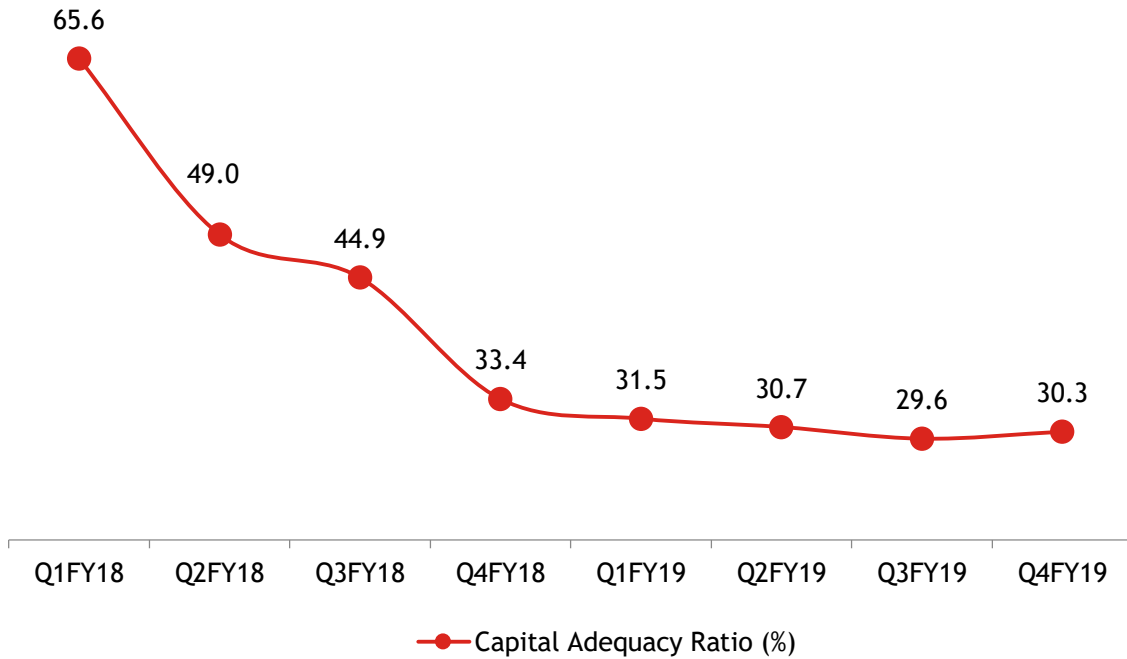
# Net Interest Income On A Rise



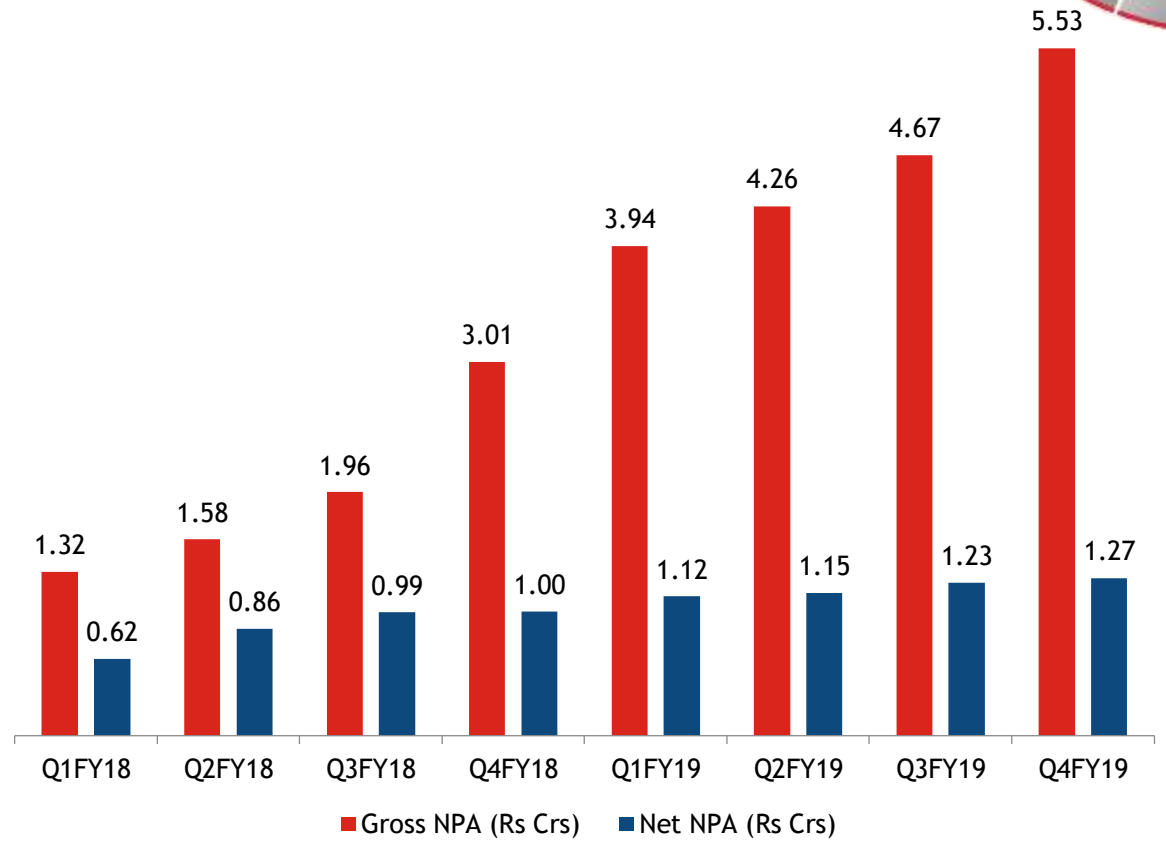
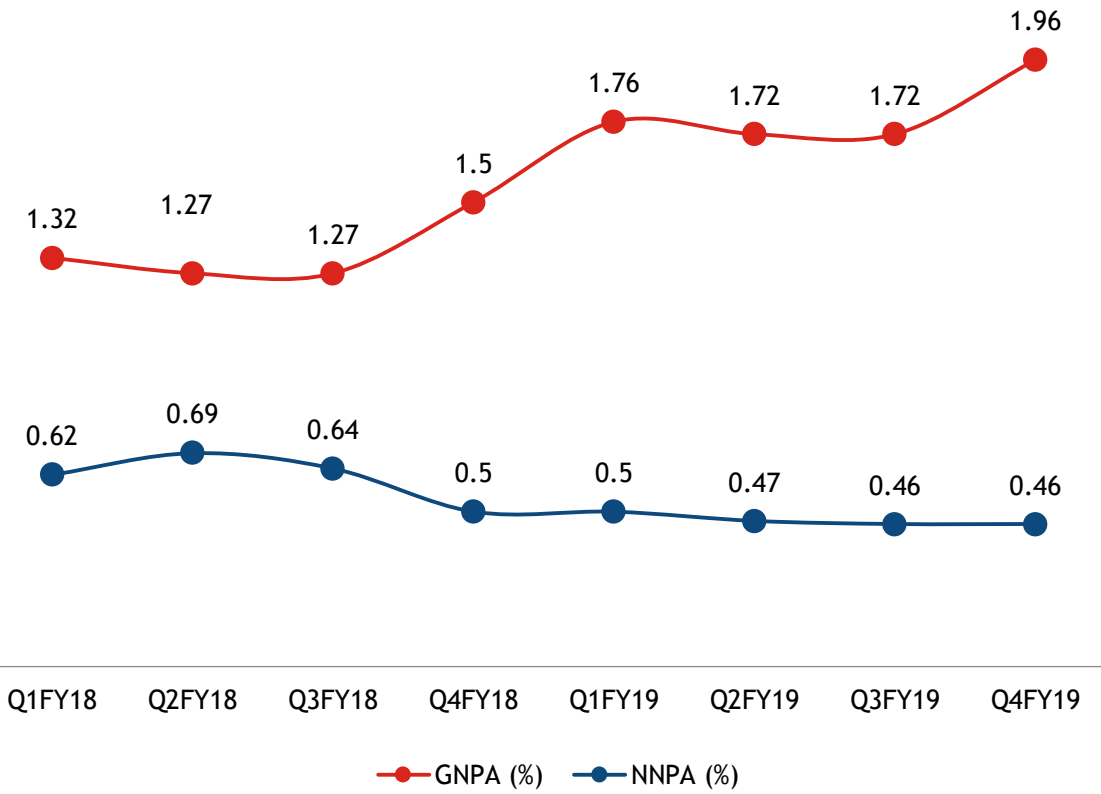
# Cost Efficiencies Quarterly & Yearly



# Capital Adequacy Ratio & Average Loan To Value (LTV)



# Net NPA is tapering



# Our Business Presence



## RAJASTHAN (16)

Banswara	Bhilwara	Jaipur
Sagwara	Aspur	Chittorgarh
Salumber	Kota	Sumerpur
Rajsamand	Sirohi	Bijainagar
Udaipur	Jodhpur	Phalodi
Udaipur (H.O)		

## MADHYA PRADESH (9)

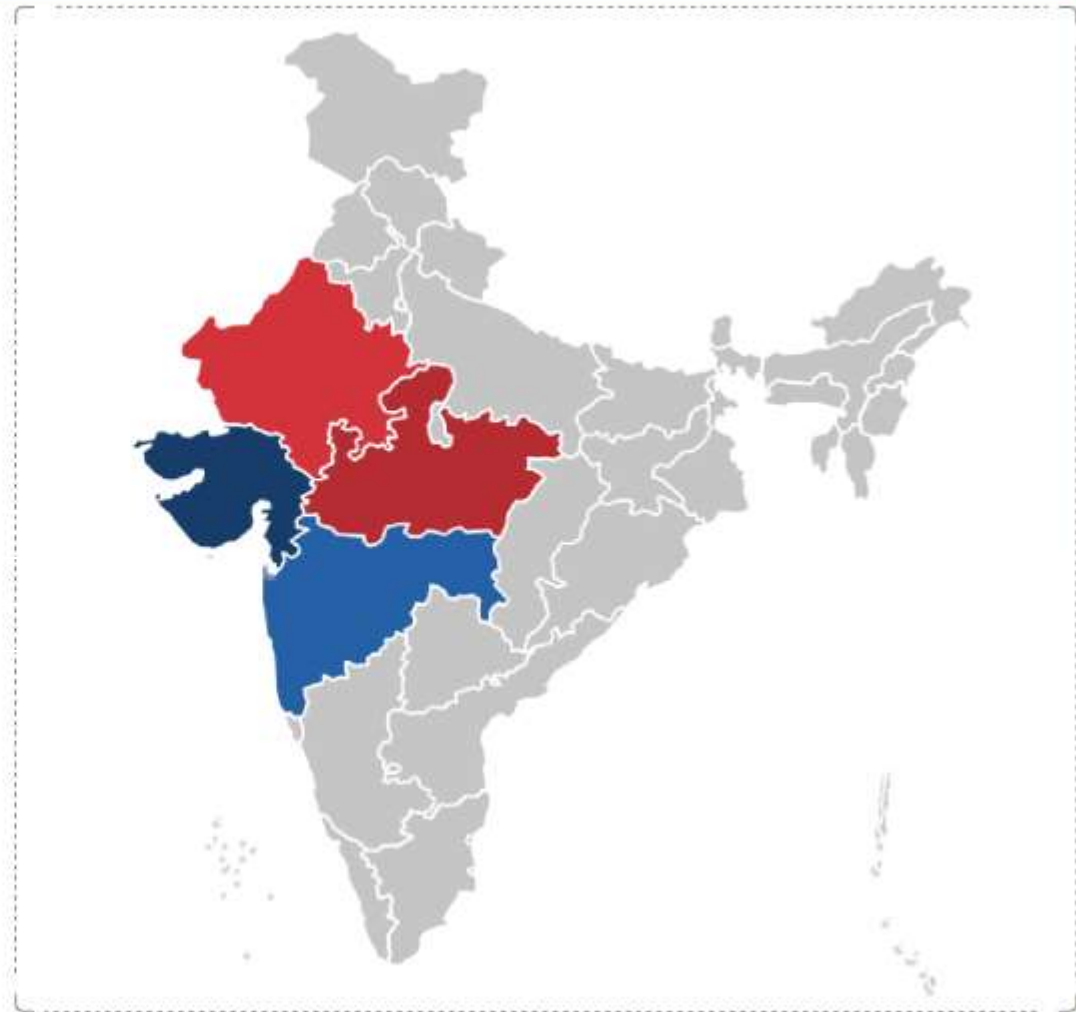
Mandsaur	Ratlam	Manasa
Neemuch	Shamgarh	Ujjain
Dhar	Ashta	Indore

## GUJARAT (6)

Ahemdabad	Surat	Vadodara
Palanpur	Mehsana	Nadiad

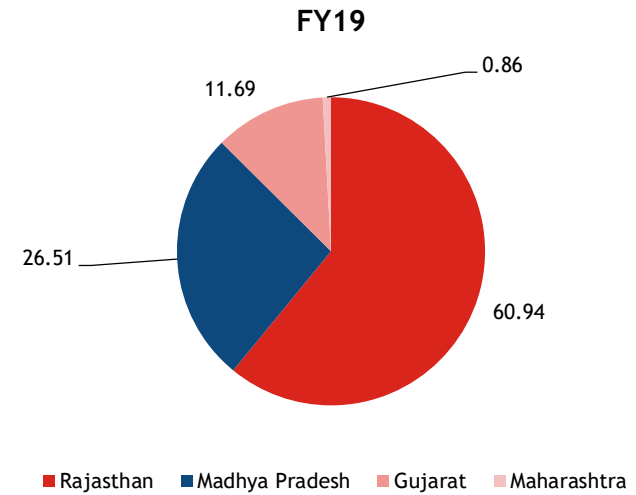
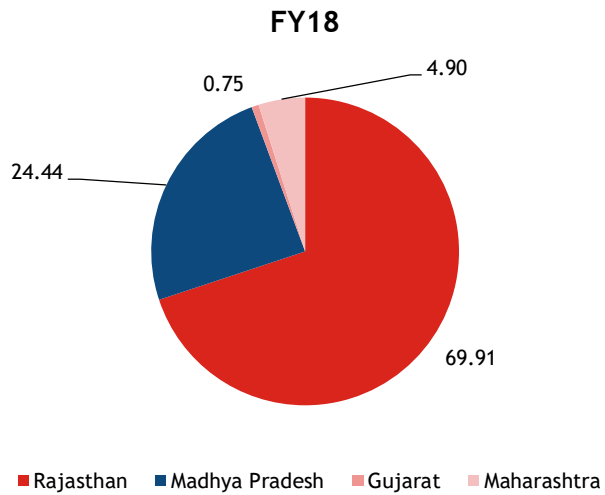
## MAHARASHTRA (1)

Mumbai

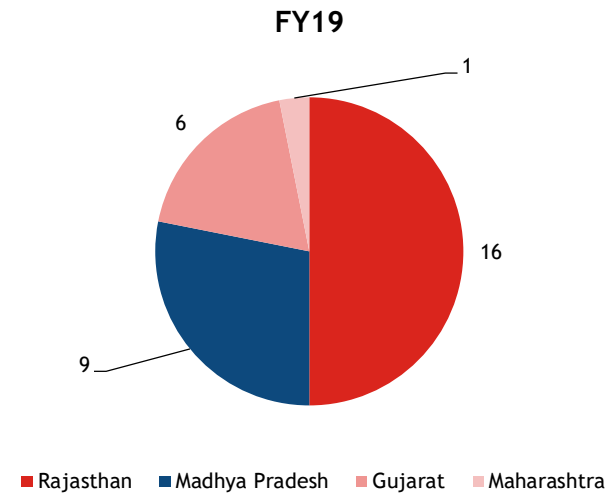
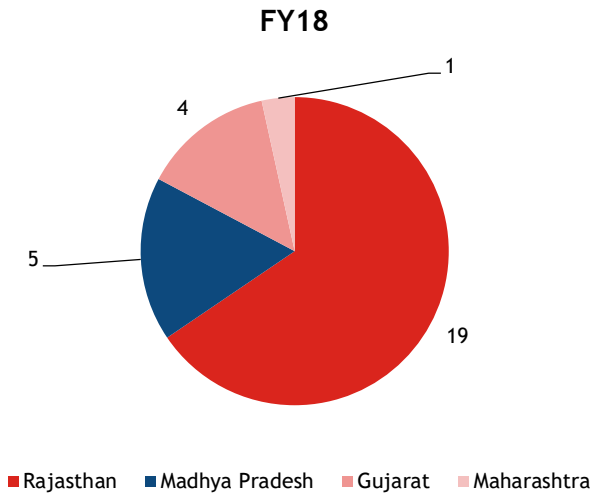




# State-Wise Branches & Loan Portfolio

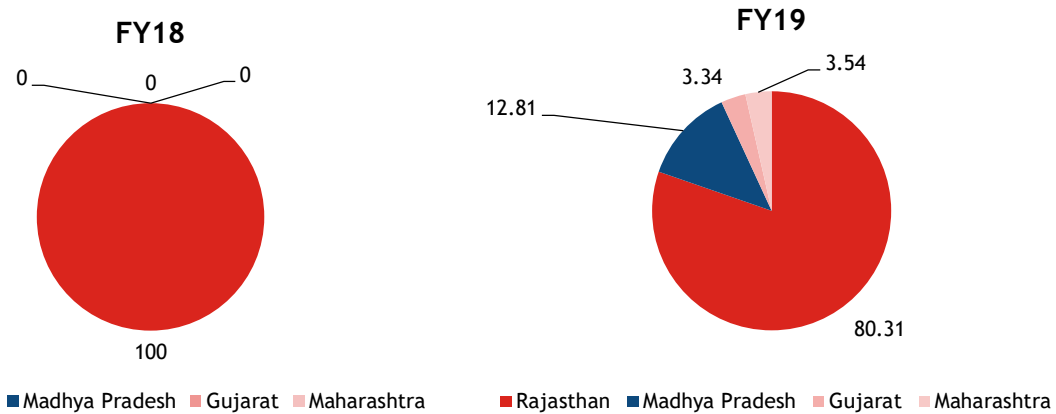


## State-Wise Loan Book (%) - Annual

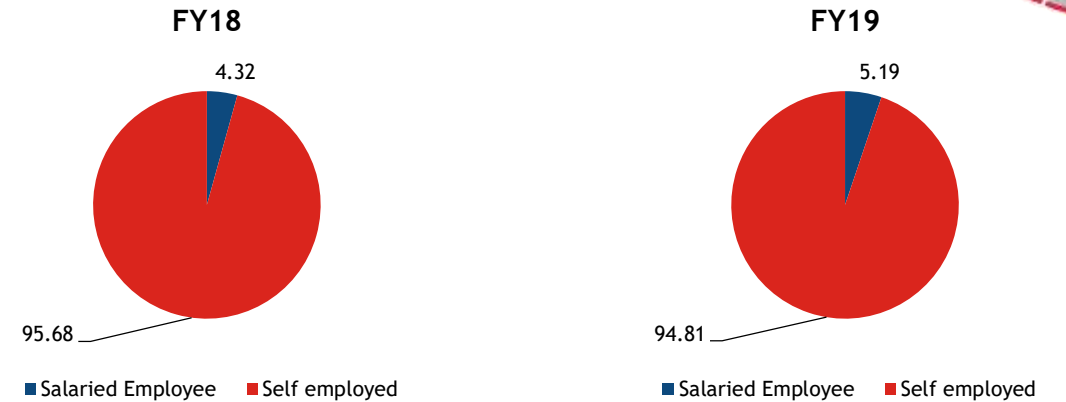


## State-Wise Branches - Annual

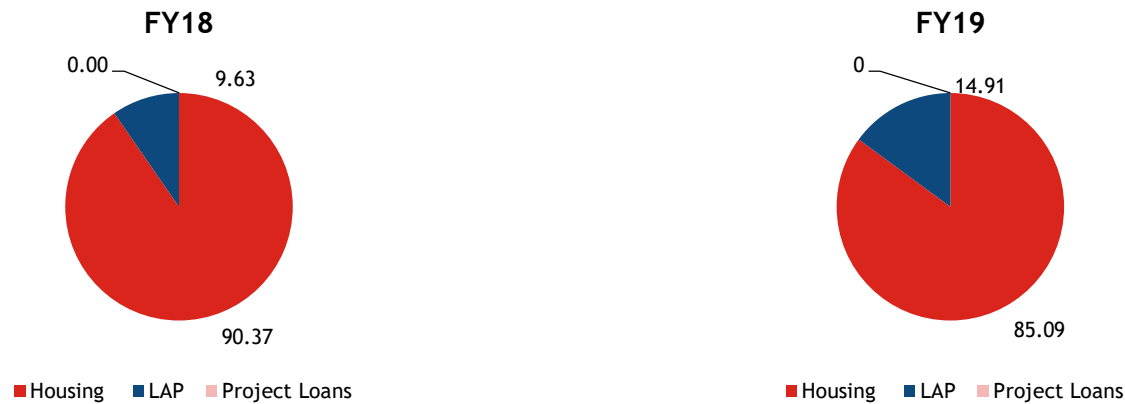
# State, Segment & Product-Wise NPA



State-Wise NPA (%) - Annually

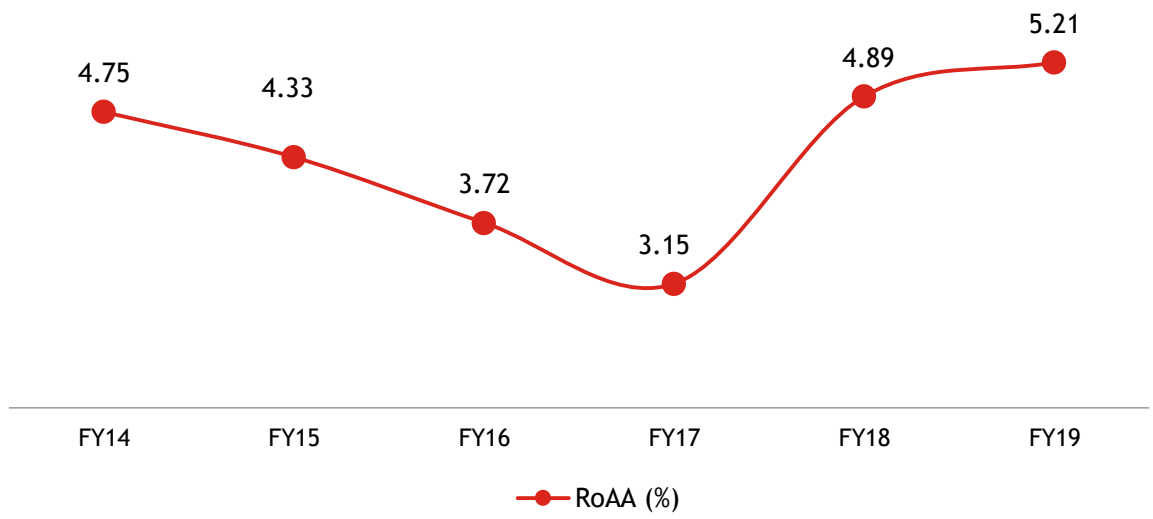
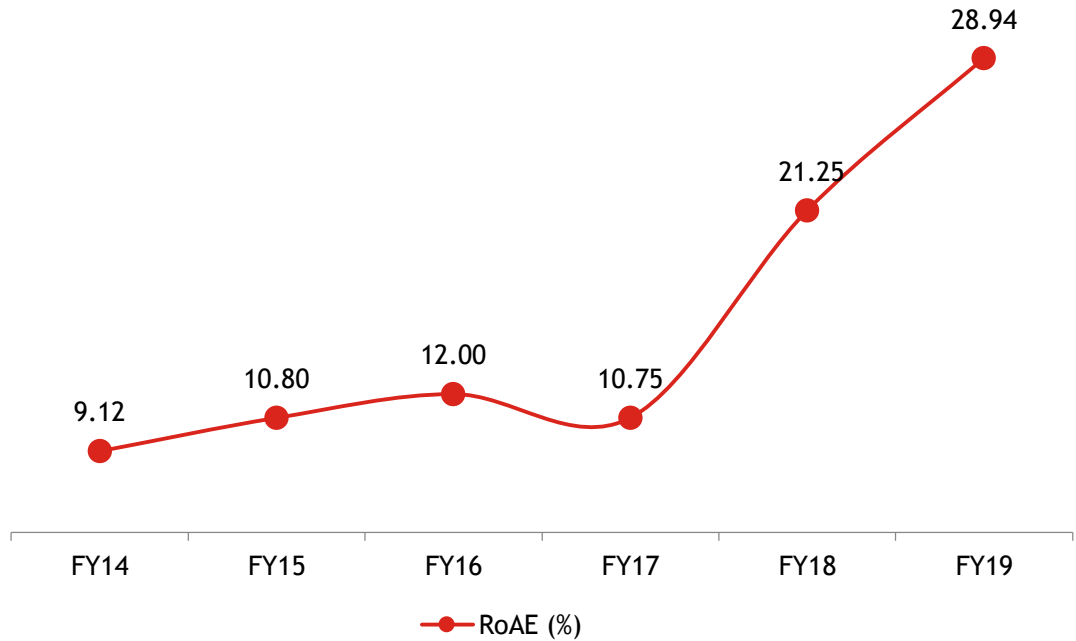


Segment-Wise NPA (%) - Annually



Product-Wise NPA (%) - Annually

# Strong improvement return profile



# Profit & Loss Statement - Audited

Rs. Crore	FY14	FY15	FY16	FY17	FY18	FY19
<b>Interest Income</b>	4.74	6.84	10.20	14.04	29.36	54.28
<b>Financial Cost</b>	1.33	2.39	4.04	5.74	11.27	23.01
Non Interest Income	0.00	0.03	0.05	0.51	4.80	5.21
Operating Expenses	1.66	2.13	3.35	4.47	9.25	13.61
Provision for Contingencies*					2.08	2.36
Depreciation	0.05	0.07	0.08	0.31	0.44	0.55
<b>Profit Before Tax (PBT)</b>	1.69	2.26	2.76	4.02	11.12	19.96
Taxes	0.50	0.73	0.90	1.32	3.04	5.79
<b>Profit After Tax (PAT)</b>	1.19	1.53	1.86	2.71	8.08	14.17

## Key Financial Ratios

Net Interest Income (NII Rs. Crore)	3.41	4.45	6.16	8.30	18.09	31.27
Net Interest Margin (%)**	15.08	13.68	13.40	12.29	12.82	12.98
AUM (Rs. Crore)	26.40	38.68	53.28	81.83	200.28	281.63
New Approvals (Rs. Crore)	17.18	30.13	27.07	51.53	145.96	124.83
Disbursements (Rs. Crore)	16.11	25.39	27.31	47.37	142.82	124.90
Borrowing Cost (%)	12.90	13.15	13.15	11.61	10.56	11.15
Lending Rate (%)	23.67	23.15	23.23	22.58	22.08	22.60
Spread (%)	10.77	10.00	10.08	10.97	11.52	11.45
Cost/Income Ratio (%)	50.14	49.33	55.23	53.44	42.33	38.82
Gross NPA (% AUM)	0.96	1.04	1.01	1.57	1.50	1.96
NNPA (% AUM)	0.73	0.76	0.70	1.21	0.50	0.46
Return on Average Assets (RoAA %)	4.75	4.33	3.72	3.15	4.89	5.21
Return on Average Equity (RoAE %)	9.12	10.80	12.00	10.75	21.25	28.94
Earnings per share (EPS Rs.)	1.48	1.43	1.65	2.38	6.21	10.90

\*The Provisions for contingencies against Standard Assets and NPA has been routed through P&L statement and accordingly revised figures are reported from FY18

\*\* NIM % based on Average Earning Assets

# Balance Sheet - Audited

Rs. Crore	FY14	FY15	FY16	FY17	FY18	FY19
<b>Assets</b>						
Loans	26.40	38.68	53.28	81.83	200.28	281.63
Total Investments	0.00	0.00	0.84	0.32	0.42	0.42
Other Assets	3.56	2.23	5.23	30.30	17.03	44.17
<b>Total Assets</b>	<b>29.96</b>	<b>40.91</b>	<b>59.35</b>	<b>112.45</b>	<b>217.73</b>	<b>326.22</b>
<b>Equity &amp; Liabilities</b>						
Shareholders' Funds	13.68	14.71	16.40	33.97	42.03	55.89
Borrowings	15.52	24.89	41.29	75.04	166.96	254.97
Liabilities & Provisions	0.76	1.31	1.66	3.44	8.74	15.36
<b>Total Equity &amp; Liabilities</b>	<b>29.96</b>	<b>40.91</b>	<b>59.35</b>	<b>112.45</b>	<b>217.73</b>	<b>326.22</b>
<b>Productivity Ratios</b>						
Number of Employees	19	18	35	55	140	230
Nos of Branches	9.00	9.00	15.00	19.00	29.00	32.00
Profit Per Employee (Rs. Crore)	0.06	0.09	0.05	0.05	0.06	0.06
Asset Per Employee (Rs. Crore)	1.39	2.15	1.52	1.49	1.43	1.22
<b>Financial Metrics</b>						
Pre-Tax ROAA (%)	6.76	6.40	5.52	4.69	6.74	7.34
Post-Tax ROAA (%)	4.75	4.33	3.72	3.15	4.89	5.21
Return on Average Equity (ROAE %)	9.12	10.80	12.00	10.75	21.25	28.94
Capital Adequacy Ratio (%)	61.30	50.34	49.91	72.71	33.38	30.27

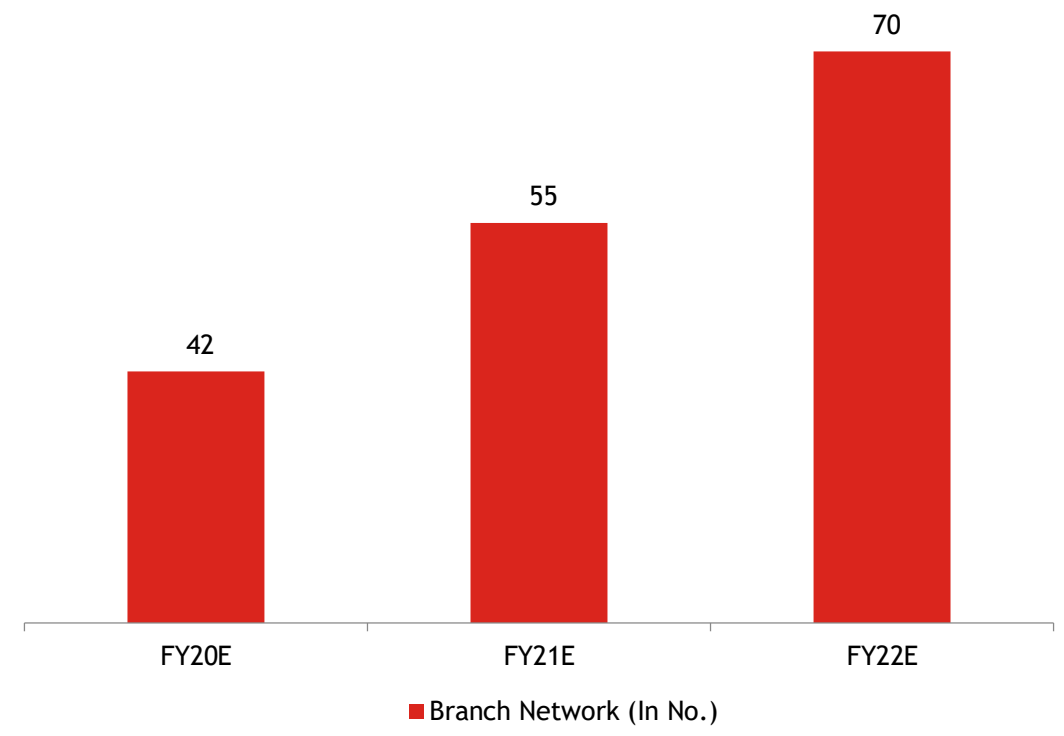
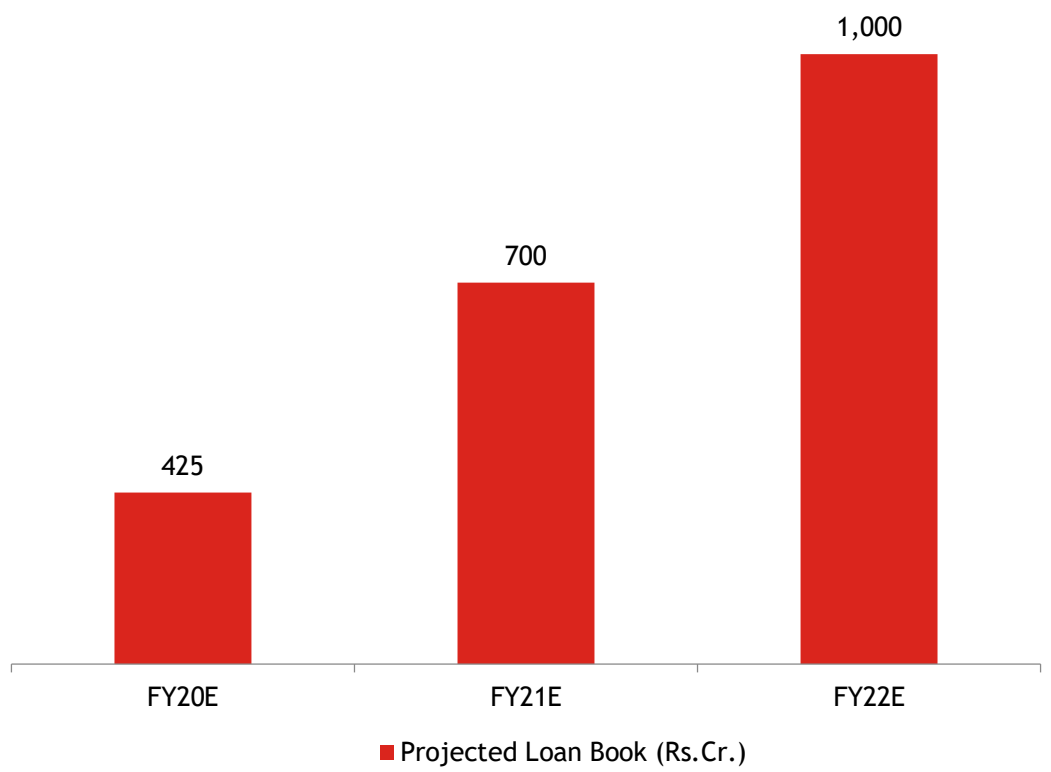


**Outlook**





# Vision 2022



**Targeting 3.5x AUM growth and 2x branch network growth**

## Strong levers in place

- The geographical expansion is on track, company is targeting to increase its branch count to 42 by FY20E
- In the coming quarter company will be launching new application for Leads, Sales and Collection to improve the process and Real time availability of data for concern persons performing the operations.
- SRG is a known housing finance company within the industry which has maintained a positive ALM on yearly, quarterly basis and made monthly repayments
- The recent occurrence of unforeseen events among HFC's has dented the investors confidence towards management's credibility and the liquidity issues. Your company wishes to address to each one of our investors that liquidity practices continues to remain robust and prudent and the business strategies laid out are on track to achieve a strong and sustainable growth in the near term.
- The company has initiated a programme SRG SRAJAN for re-engineering the processes and standardizing the internal functions focusing on the automations and technology. Accordingly Process Flows for each and every function has been documented and deployed.
- As a part of Restructuring Programme Company has implemented a Concept of OKR which stands for "Objectives and Key Results". This will help in improvising the workings and overall functions of the Company and help in timely achievement of objectives.

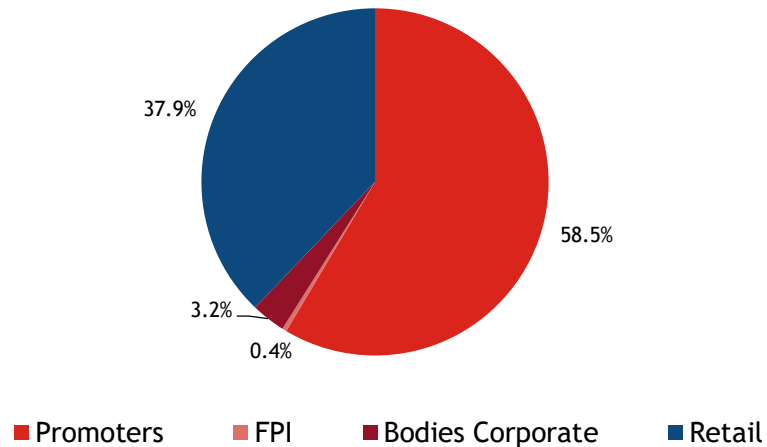


**Annexure**

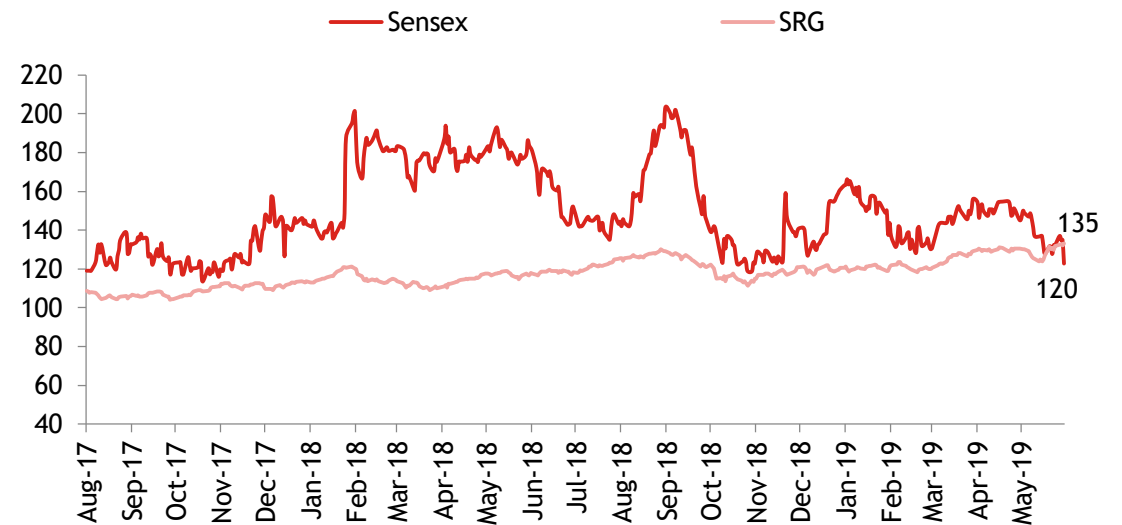
# Stock information

- Market cap (INR) - 251.7 Crore (As on 3<sup>rd</sup> June 19)
- Shares outstanding - 13.0 mn (As on 31<sup>st</sup> March 2019)
- BSE code: 534680
- Bloomberg code: 0596730D:IN

### Shareholding Pattern as on 31<sup>st</sup> March, 2019



### Relative Stock Price Vs Sensex



As on 3<sup>rd</sup> June 2019

# Contact Us

## Investor Relations Contact

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