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ISIN: INE526R01010
SCRIP CODE: 539017
SCRIP ID: STARHFL
PAN NO. AAGCA1988C

Date: 30.10.2021

To

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Sub: Press Release dated 30.10.2021

Dear Sir / Madam,


Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 enclosed herewith press release issued by the company, the content of which is self-explanatory.

This is for the information of the exchange and the members.

Thanking You,

Yours faithfully,

FOR STAR HOUSING FINANCE LIMITED


PARITOSH KOTHARI
COMPANY SECRETARY
M.NO: A36550



Encl: Press Release



PRESS RELEASE

STAR HOUSING FINANCE LIMITED RESULTS – H1 FY 2021-22

Saturday, 30th October 2021, Mumbai: Star Housing Finance Ltd, a BSE listed housing finance company active in low ticket semi urban and rural housing finance space has announced H1 FY2021-22 results for the period ending 30th Sep, 2021

The first half of the financial year was marked by the disruption in business due to the second wave of Covid19 pandemic. This eventually eased out in the second quarter resulting in gradual pick up of business activity. The company has incrementally disbursed Rs. 15.98 crs in H1 FY22 providing housing finance assistance to EWS (Economically Weaker Section) families in semi urban and rural areas.

The resilience of the customer segment through which the company enables credit access was tested and once again was proven in the second lockdown where the company has been able to maintain its collection efficiency. The GNPA stands at 3.26% and net NPA stands at 2.77%

During the first half of this financial year the liability franchisee got strengthened with receipt of credit lines from Hinduja Housing Finance of Rs. 5.30 crs and the NHB of Rs 5.00 crs. The first half of the year also saw Star HFL successfully completing repayment of credit lines of NHB (Rs. 4.6 crs) The company initiated capital raise exercise with an intent to strengthen the overall net worth that may enable achievement of business objectives including re-rating and developing a strong foundation for AUM growth.

The shareholders have approved the list of proposed investors subscribing to the capital through preferential allotment. In this raise, the company subject to all necessary clearances, intends to raise 9.17 crs through 10.31 lakh shares (@ Rs. 89 per share, Face Value of Rs. 10 and Premium of Rs. 79 per share). Post approvals, full subscription and allotment, we would see the net worth would cross Rs. 63 crs.

Going forward, Star HFL would be entering into a co-lending arrangement to enable overall AUM growth supplementing the on-book lending.

Key Operational and Financial Highlights:

- AUM stands at Rs. 100.38 crs with 1219 live accounts. The loan book has been built up with a business philosophy of enabling credit access for first time home buyers coming from EWS (Economically Weaker Section) segment
- Presence across 5 states with 7 physical branches and 15 digital PoPs
- Staff strength stands at 83 employees
- Corporate office shifted to Mumbai, the registered office to be shifted to Mumbai awaiting regulatory clearance
- Incremental loans are now getting processed and serviced digitally across locations
- On-boarding of Credit and Operations head Mr. Anoop Saxena – A qualified CA with more than 15 years of experience in affordable housing finance space.
- Strong relationship with 4 Banks, the NHB and 4 financial institutions
- Borrowing outstanding of 64.12 crs
- Gross NPA 3.26% and Net NPA of 2.77%
- Write off for the period 0.29 crs comprising of 6 accounts
- Interest income at Rs. 8.75 crs. Net Interest Income at Rs.5.69 crs
- PBT of Rs. 0.81 crs and PAT of Rs. 0.61 crs

Commenting on the overall performance of the company for the said period, Mr. Ashish Jain – MD of Star Housing Finance Limited said “With our fabric again getting tested in the second lockdown and having successfully emerged from the same, our business philosophy and the framework that we have established in the transformation journey has got validated. With vaccinations speeding up and intensity of the pandemic steadily coming down, business activities in our geographies of operations are more or less coming back to normal. In the remaining months of this financial year, we look forward to focus on the incremental business through on-book lending and co-lending with our business partners. We also see strong traction on the liability side given our proposals in pipeline. The planned capital raise, subject to all approvals, will increase our net worth and help us to achieve all our business objectives. This capital raise validated the tailwind in semi urban and rural housing and the fact that there is strong interest evinced in capital markets for the rural India story. We see ourselves to be favourably placed given our overall transformation and the domain that we have built up in this phase of growth. We look forward to be a meaningful housing finance player in this phase and shall, subject to necessary approvals and in line with extant guidelines, offer housing loan products that would suit the requirements of Economically Weaker Sections (EWS) customer segment.”

BALANCE SHEET (Figures in crs) –

Particulars	As at 30/09/2021	As at 30/06/2021	As at 31/03/2021
Financial Assets	121.30	117.68	121.96
Non-Financial Assets	3.43	3.01	2.80
Total Assets	124.73	120.69	124.77
Financial Liabilities	70.07	66.36	70.65
Non-Financial Liabilities	0.41	0.45	0.48
Total Liability	70.48	66.82	71.13
Total Equity	54.25	53.88	53.64

PROFIT AND LOSS STATEMENT (Figures in crs) –

Particulars	As at 30/09/2021	As at 30/06/2021	As at 31/03/2021
Total Income	9.02	4.48	15.60
Total Expenses	8.21	4.16	13.42
Profit Before Tax	0.81	0.32	2.18
Tax	(0.20)	0.08	0.63
Profit After Tax	0.61	0.24	1.56

**For Star Housing Finance Limited****Kalpesh Dave**

Head – Corporate Planning & Strategy

Place : Mumbai

Date : October 30, 2021