

REPCO HOME FINANCE LIMITED

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



Earnings Presentation Q2FY19



www.repcohome.com

◆ Q2FY19 Performance

- ▶ Business summary.....
- ▶ Financial performance for Q2FY19
- ▶ Borrowing profile.....

◆ Geographic Presence

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- ▶ Region-wise loan book.....

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Q2FY19 Performance

Business Summary

Repco Home Finance Limited

• Loans outstanding (Sep 30, 2018)	Rs. 1,03,820 mn
• Net worth (Sep 30, 2018)	Rs. 14,310 mn
• Tier 1 capital adequacy ratio	23.70% (IGAAP, Provisional)
• Average loan per unit	Rs. 1.4 mn
• Number of live accounts	87,110
• Current Employee Strength	880
• Gross NPA (%) (Sep 30, 2018)	3.6%
• Expected credit loss (%) (Sep 30, 2018)	0.69% (Sep'17 – 0.70%)

Q2FY19 performance

Repco Home Finance Limited

Figures in Rs million

Sanctions

Q2FY19

8,340

9%

Q2FY18

7,645

Disbursements

7,766

3%

7,525

Home loan book

84,829

13%

75,129

TN & Pondicherry book

Q2FY19

61,607

5%

Q2FY18

58,404

Rest of India book

42,213

21%

34,807

Overall loan book

1,03,820

11%

93,212

H1FY19 performance

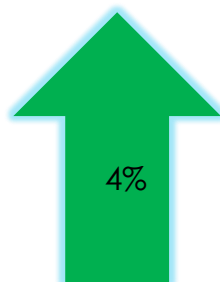
Repco Home Finance Limited

Figures in Rs million

Operating income

H1FY19

5,778

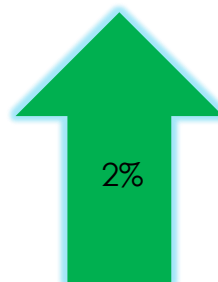


H1FY18

5,581

Net Interest Income

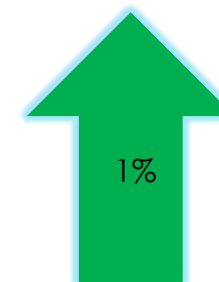
2,258



2,220

Profit after Tax

1,275

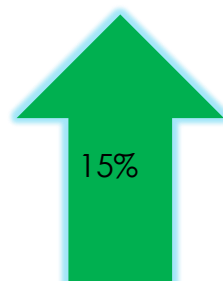


1,260

Sanctions

H1FY19

15,920

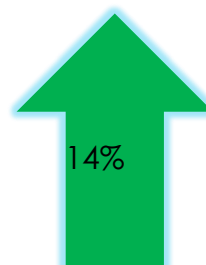


H1FY18

13,842

Disbursements

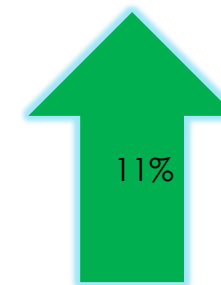
14,805



13,007

Loan book

1,03,820



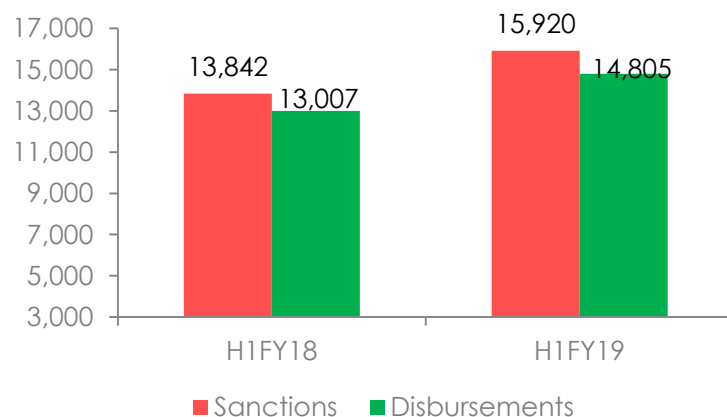
93,212

Asset book

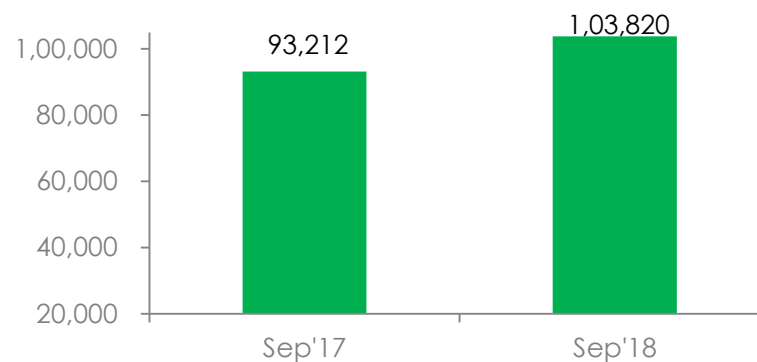
Repco Home Finance Limited

Figures in Rs million

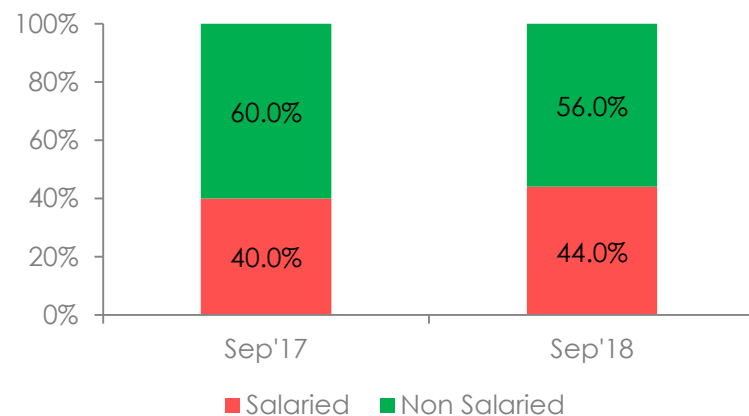
Sanctions and disbursements



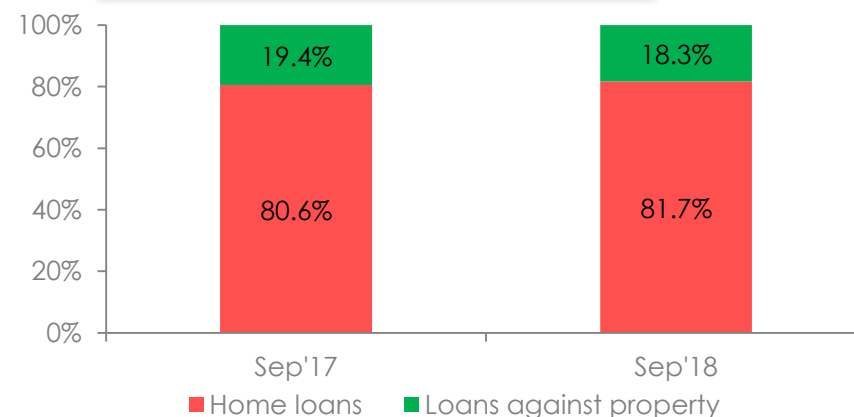
Loan Book



Loan book composition



Mix of loan portfolio

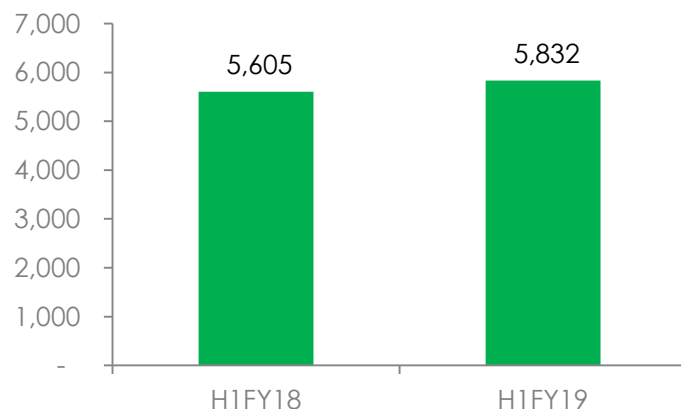


Income and earnings growth

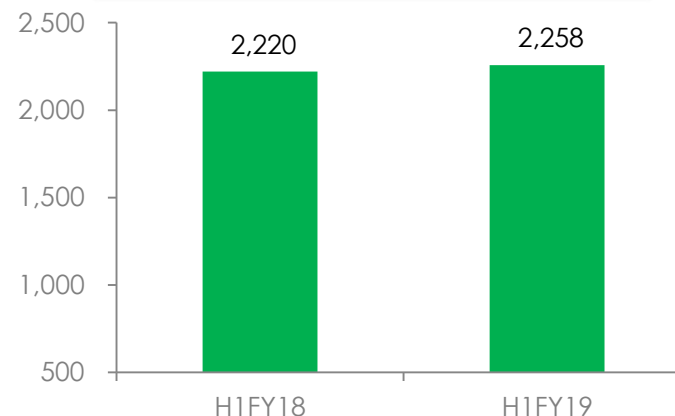
Repco Home Finance Limited

Figures in Rs million

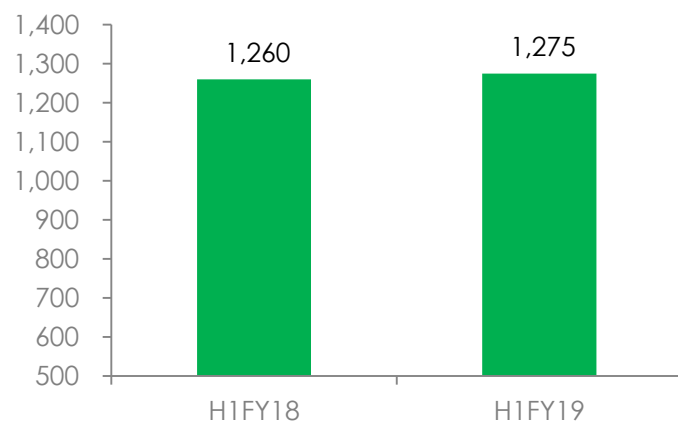
Total income



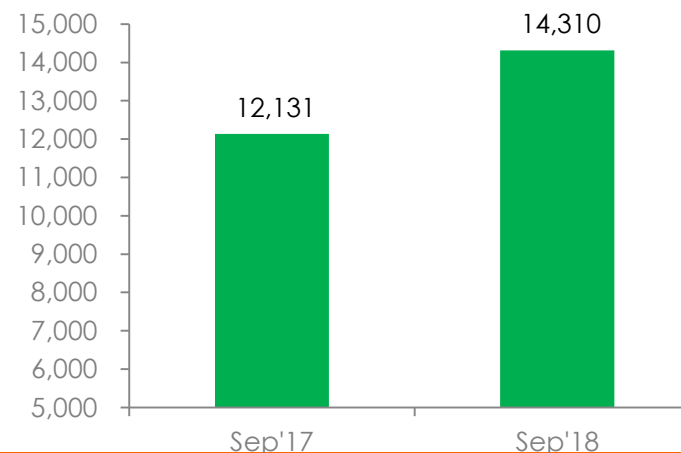
Net interest income



Net profit



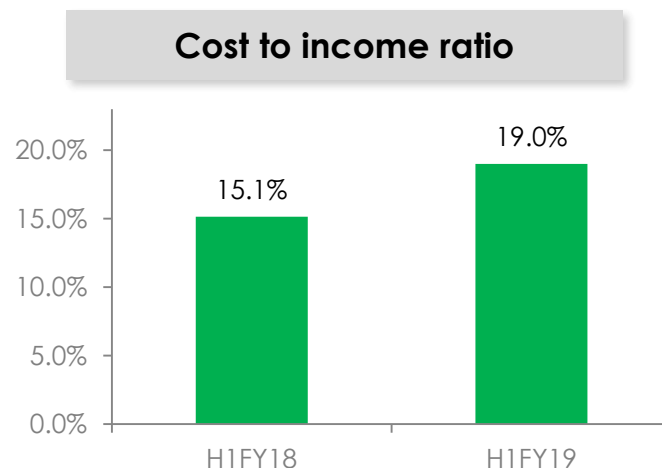
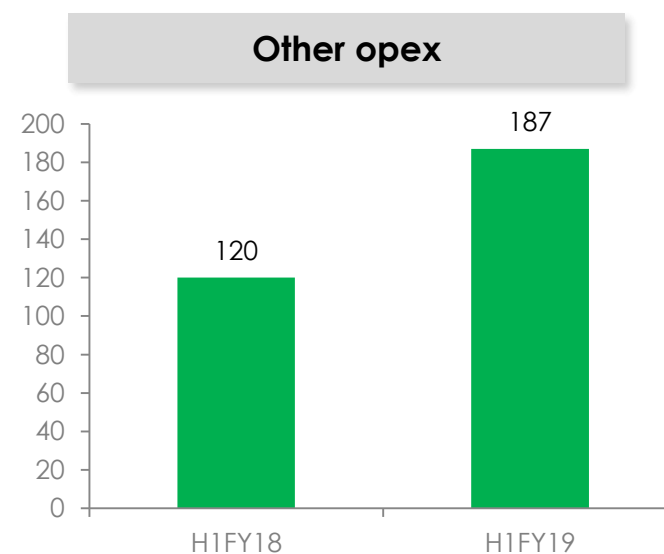
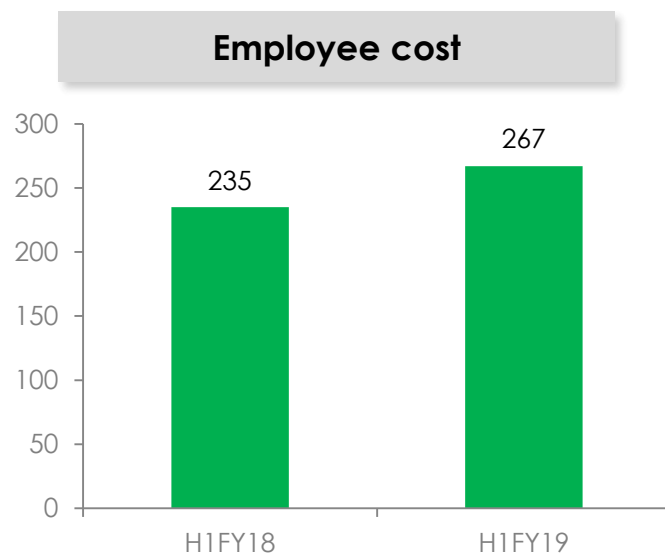
Net worth



Operating cost

Repco Home Finance Limited

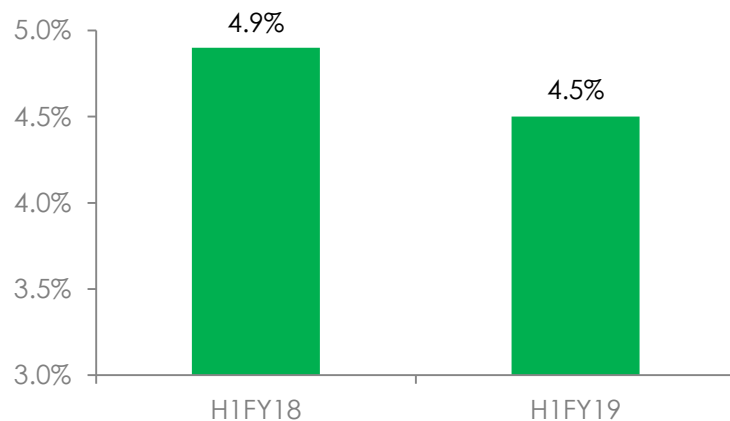
Figures in Rs million



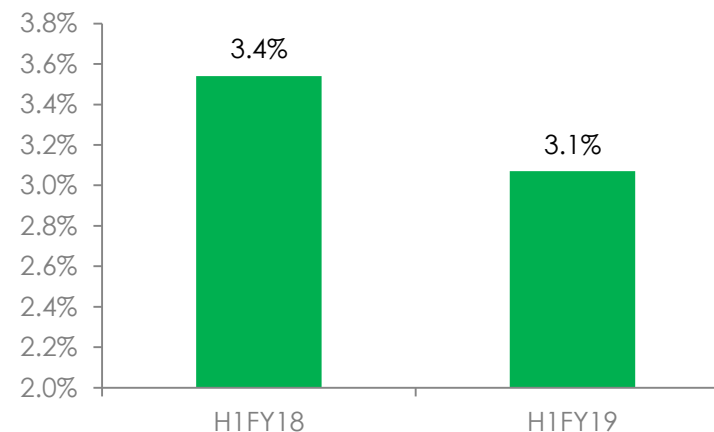
Profitability ratios

Repco Home Finance Limited

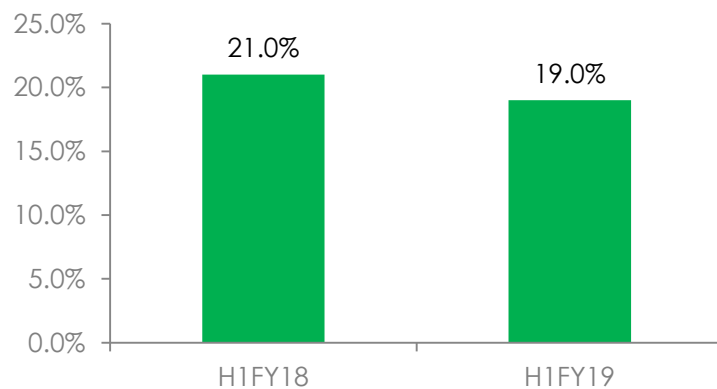
Net interest margin



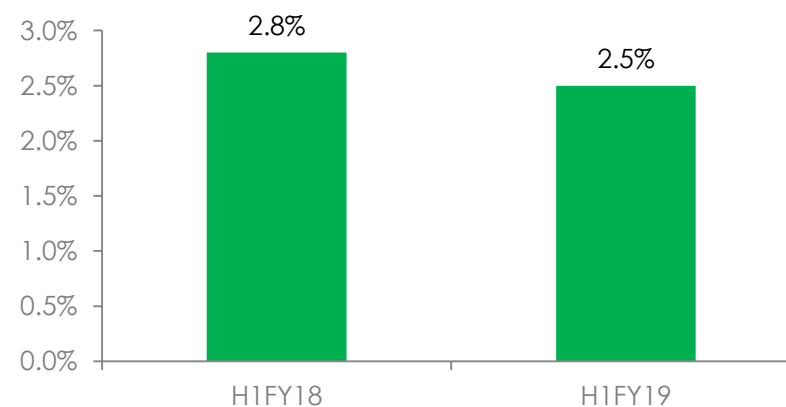
Spread



Return on equity

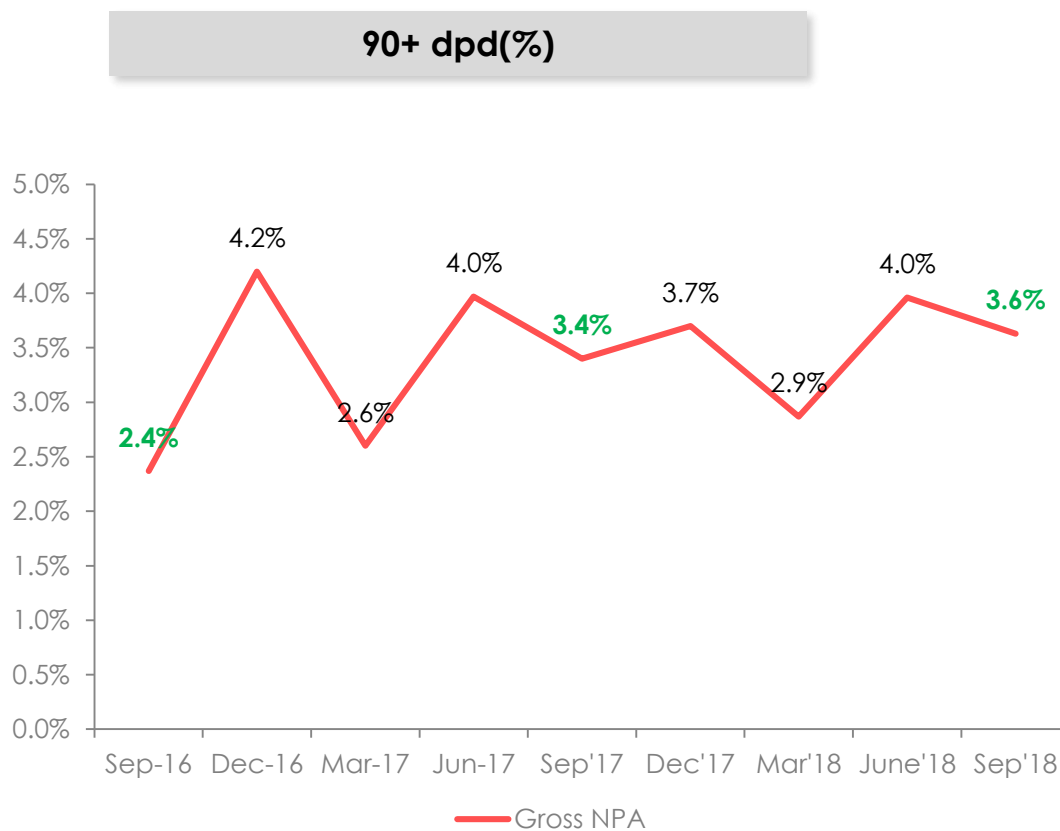


Return on assets



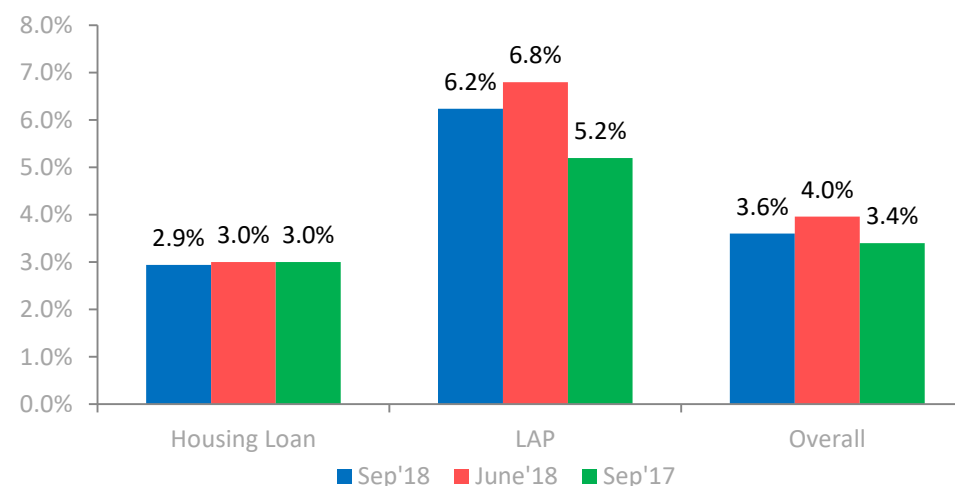
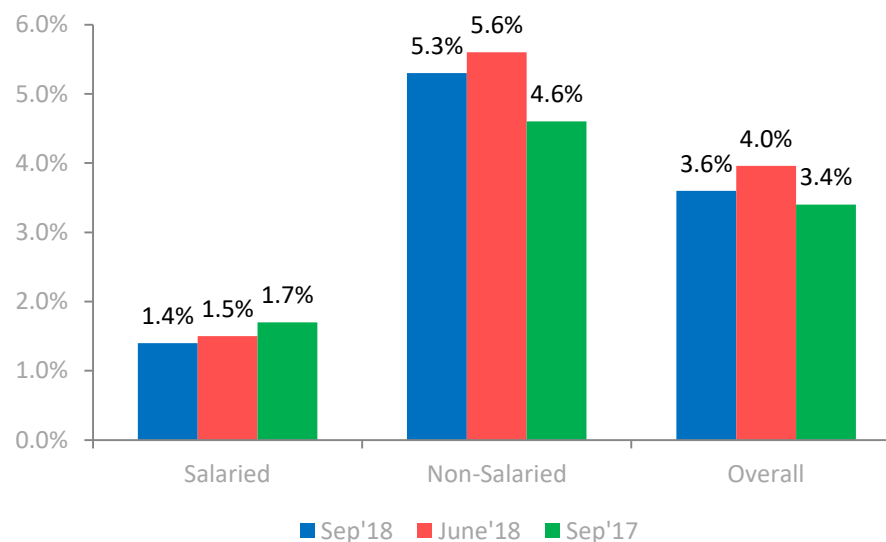
Asset quality

Repco Home Finance Limited



Mix/Product-wise GNPA (%)

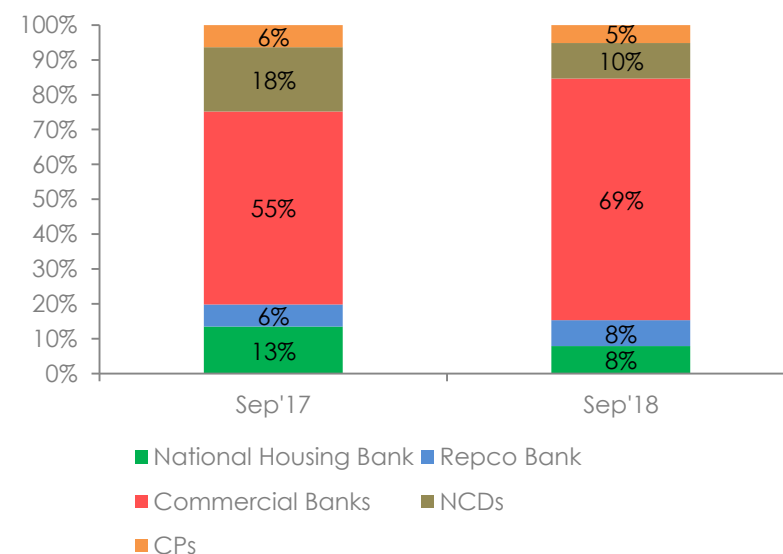
Repco Home Finance Limited



Diversified borrowing profile

Repco Home Finance Limited

Source (Rs mn)	Average cost	Sep'17	Sep'18	% change
National Housing Bank	7.6%	10,536	6,858	-35%
Repco Bank	8.2%	4,982	6,537	31%
Commercial Banks	8.4%	43,243	60,407	40%
NCDs	8.3%	14,370	8,853	-38%
CPs	7.9%	5,000	4,500	-10%
Total	8.3%	78,125	87,154	12%

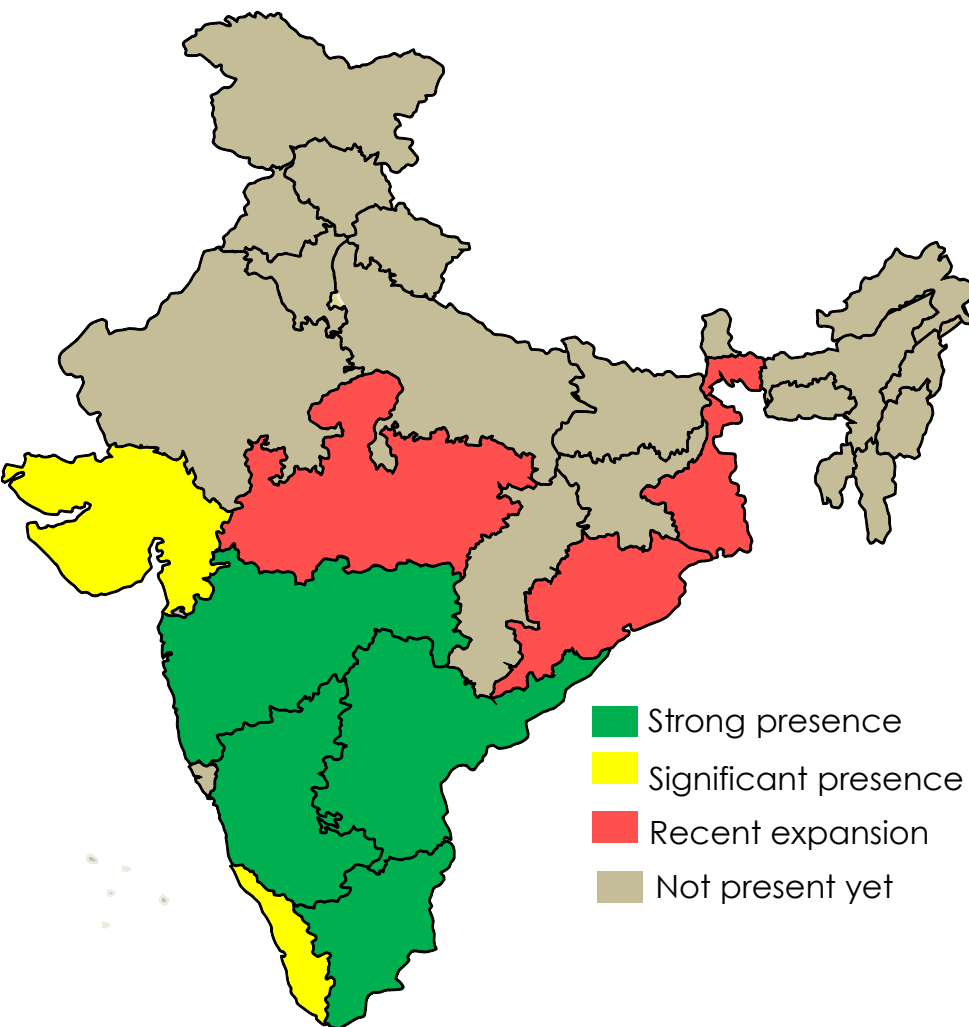


*Weighted average cost

Geographic Presence

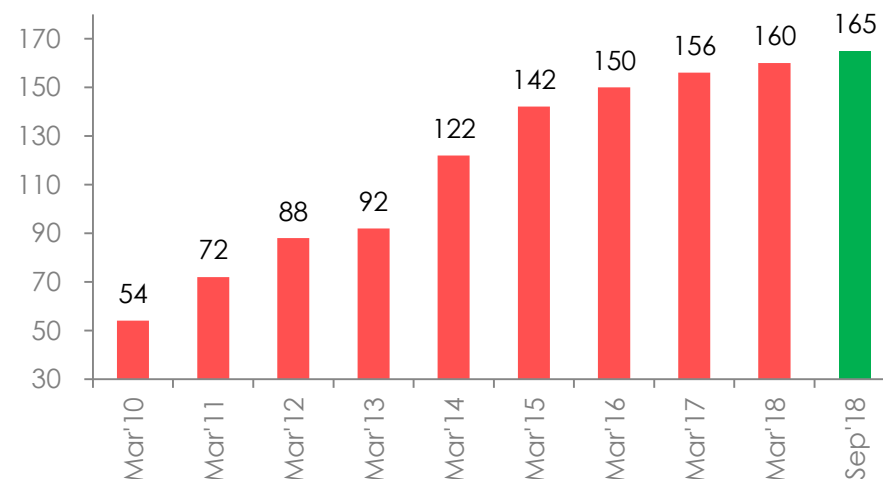
Footprint

Repco Home Finance Limited

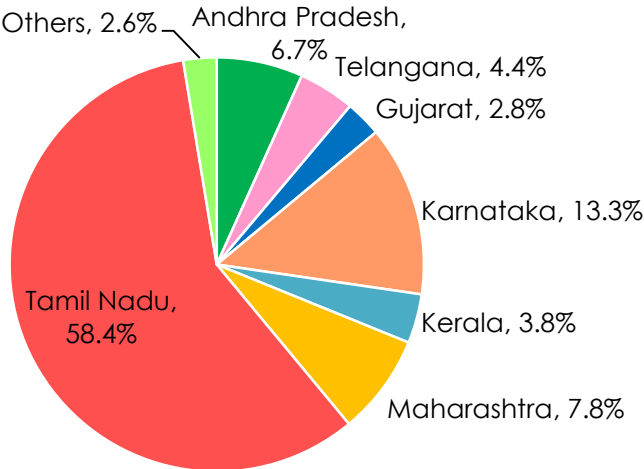


- ◆ Presence in 11 states and 1 Union Territory with 141 branches and 24 satellite centers.
- ◆ Presence beyond South: branches in West Bengal, Orissa, Maharashtra, Gujarat, Jharkhand and Madhya Pradesh.

Network Expansion



Region-wise loan book



States	Exposure			YoY growth	QoQ growth
	Sep'18	June'18	Sep'17		
Andhra Pradesh	6.7%	6.8%	6.9%	9%	8%
Telangana	4.4%	4.3%	3.9%	26%	21%
Gujarat	2.8%	2.6%	2.2%	40%	41%
Karnataka	13.3%	13.1%	12.0%	24%	20%
Kerala	3.8%	3.9%	3.9%	9%	2%
Maharashtra	7.8%	7.6%	7.0%	25%	22%
Tamil Nadu (ex. Pondicherry)	58.4%	58.9%	61.5%	6%	8%
Total	100%	100%	100%	11%	11%

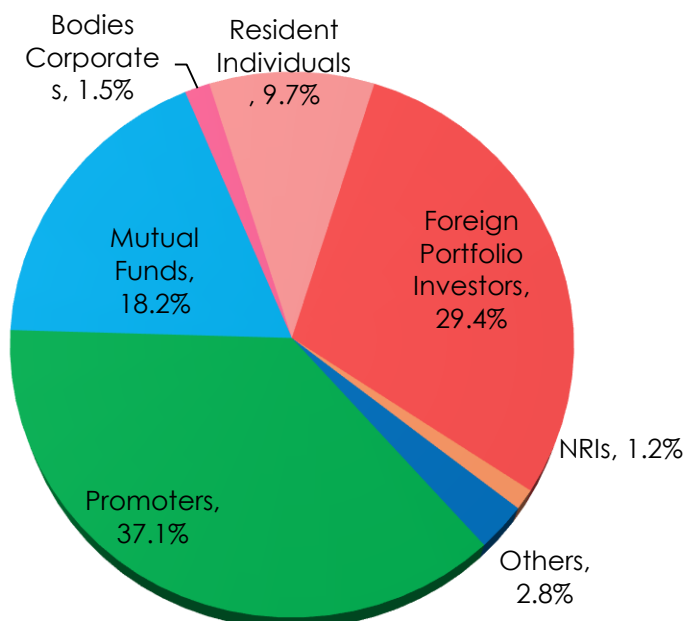
Annualized

Annexure

Shareholding pattern

Repco Home Finance Limited

Outstanding shares – 62.56 mn



Major non-promoter shareholders

	% shareholding
The Pabrai Funds	6.2%
DSP Blackrock Mutual Fund	6.0%
Aditya Birla Mutual Fund	6.0%
Franklin Templeton Mutual Fund	5.8%
India Capital Fund Limited	3.9%
Alliance Bernstein Funds	2.9%
Apax Global Fund	2.1%
HSBC Global Investment Funds	1.5%
DSP Core Fund	1.1%
Sanford C. Bernstein Fund, Inc.	1.1%

Profit and loss statement

Repco Home Finance Limited

(Rs. million)	Q2FY19	Q2FY18	YoY (%)	Q1FY19	QOQ (%)	H1FY19	H1FY18	YoY (%)
Income:								
Revenue from operations	2,909	2,843	2%	2,869	1%	5,778	5,581	4%
Other income	51	22	138%	3	1854%	54	24	128%
Total Income	2,960	2,864	3%	2,872	3%	5,832	5,605	4%
Expenses:								
Interest and other financial charges	1,755	1,626	8%	1,684	4%	3,438	3,256	6%
Employee benefit expense	138	126	9%	130	6%	267	235	14%
Depreciation and amortization expense	15	8	83%	10	40%	25	16	60%
Other expenses	83	53	56%	79	6%	162	105	55%
Provisions & write-offs	-35	-8	340%	47	-174%	12	80	-85%
Total Expenses	1,956	1,806	8%	1,949	0%	3,905	3,691	6%
Profit before tax	1,004	1,059	-5%	923	9%	1,927	1,914	1%
Tax expense:								
Current tax	268	273	-2%	274	-2%	542	514	6%
Deferred Tax	70	85	-17%	39	78%	110	140	-22%
Net Profit/(Loss)	666	701	-5%	609	9%	1,275	1,260	1%
Other Comprehensive Income	4	6	-38%	0		3	2	48%
Total Comprehensive Income	670	707	-5%	609	10%	1,278	1,262	1%

Note –Other expenses pertaining to H1FY19 include,

- (a) Rs. 27.5 mn of fee paid to DSAs & KYC consultants. The same has been charged to P&L upfront ; not amortized. (H1FY18– nil)
- (b) Rs. 11 mn of Sarfaesi charges. The same will be recovered from borrowers in the course of time. (H1FY18 – negligible)

Balance Sheet

Repco Home Finance Limited

(Rs. million)	As on Sep 30, 2018	As on Sep 30, 2017
EQUITY AND LIABILITIES:		
Shareholder's Funds	14,987	12,747
Share Capital	626	626
Reserves and Surplus	14,362	12,122
Non-Current Liabilities	63,275	55,124
Long-term borrowings	61,570	53,523
Deferred Tax Liabilities (Net)	885	794
Other long term liabilities	103	83
Long term provisions	716	724
Current Liabilities	26,913	26,221
Short-term borrowings	12,597	11,490
Other current liabilities	14,178	14,570
Short-term provisions	138	162
Total	1,05,175	94,092
ASSETS:		
Non-current assets	96,798	86,311
Fixed assets		
Tangible assets	130	72
Intangible assets	19	16
Non-current investments	220	156
Long term loans and advances	96,408	86,044
Other non current assets	21	23
Current assets	8,378	7,781
Cash and Bank Balances	771	316
Short-term loans and advances	6,468	6,483
Other current assets	1,139	982
Total	1,05,175	94,092

Relative performance – Q2FY19

Repco Home Finance Limited

Particulars	Units	Q2FY18	Q2FY19
Sanctions	Rs. Mn	7,645	8,340
Disbursements	Rs. Mn	7,525	7,766
Net interest income	Rs. Mn	1,164	1,115
PAT	Rs. Mn	701	666
NIM	%	4.6	4.4
Yield on assets	%	11.7	11.2
Cost of funds	%	8.5	8.2
Spread	%	3.2	3.0
Return on assets	%	3.0	2.6
Return on equity	%	23.5	19.4

Relative performance – H1FY19

Repco Home Finance Limited

Particulars	Units	H1FY18	H1FY19
Sanctions	Rs. Mn	13,842	15,920
Disbursements	Rs. Mn	13,007	14,805
Net interest income	Rs. Mn	2,220	2,258
PAT	Rs. Mn	1,260	1,275
NIM	%	4.9	4.5
Yield on assets	%	12.0	11.3
Cost of funds	%	8.6	8.2
Spread	%	3.4	3.1
Return on assets	%	2.8	2.5
Return on equity	%	21.0	19.0

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