



**GRUH
FINANCE
LIMITED**

We help you build homes

SEC: 2011:
October 28, 2011

FAX No : 022 – 2272 3121 / 3719 / 2039

Fax 022 –2659 8237 / 38

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

National Stock Exchange
"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051

BSE Security Code No: 11288

Symbol : GRUH

Kind Atten. Mr. S. Subramanian -DCS-CRD

Sub: Press Release of Unaudited Financial Results for the quarter/ six months period ended September 30, 2011 :

We forward herewith a copy of the press release in respect of the Unaudited financial results of the Company for the quarter / six months period ended September 30, 2011.

This is for your kind information and record. Kindly arrange to inform all your constituents accordingly. Kindly acknowledge receipt.

Thanking you,

Yours sincerely,
For **GRUH FINANCE LIMITED**

MARCUS LOBO
Company Secretary

A subsidiary of HDFC Ltd

Registered Office: "GRUH", Netaji Marg, Near Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006.
Tel. : (91) (79) 3290 1222/23, 2642 1671-74 Fax: (91) (79) 2656 0649



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**GRUH FINANCE LTD.
FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2011**

The Board of Directors of GRUH Finance Ltd. (GRUH) – a subsidiary of HDFC Ltd. – has approved the accounts for the half year ended September 30, 2011 at their meeting held in Mumbai on October 25, 2011.

FINANCIAL RESULTS

Profit after tax for the year amounted to **Rs. 41.47 crores** as compared to Rs. 32.37 crores for the previous year, **an increase of 28%**.

Housing Loan Portfolio

The loan portfolio as at September 30, 2011 amounted to **Rs. 3543.52 crores** as against Rs. 2741.76 crores in the previous year – **an increase of 29%**.

LENDING OPERATIONS

Loan Disbursements

Loan disbursements during the year were **Rs. 647.56 crores** as against Rs. 529.35 crores in the previous year indicating a growth of 22%.

Cumulative loan disbursements as of September 30, 2011 were **Rs. 6503.43 crores**.

Non-Performing Loans

During the quarter, NHB has revised the provisioning guidelines and increased the provisioning requirement for Non Performing Assets (NPAs). In the substandard category, the provisioning has been increased from 10% to 15% whereas in the highest slab under the Bad and Doubtful assets category, the provisioning requirement has been increased from 50% to 100%.

NHB has also introduced a 0.40% provision requirement for standard housing assets. As a result, on gross NPAs of Rs. 39.26 crore, GRUH is required to carry a provision of Rs.

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10.84 crore and Rs. 14.02 crores towards standard assets i.e. a total provision of Rs. 24.86 crore.

As per the old guidelines, GRUH would have had to carry a total provision of Rs. 8.33 crore thus indicating an additional provisioning requirement of Rs. 16.53 crores on account of the revised guidelines.

GRUH has therefore set aside Rs. 4.99 crore towards such incremental provision from the current year's profits to meet the additional NPA provisioning requirement and provision for standard individual home loan assets of the current year. GRUH has additionally transferred Rs. 7.80 crores (net of deferred tax of Rs. 3.74 crore) from General reserves to meet the provision required on standard individual home loans as on March 31, 2011.

The gross NPA as at September 30, 2011 stands at Rs 39.26 crores or 1.11% (total loan outstanding portfolio of Rs. 3543.52 crores). The Net NPA as at September 30, 2011 stands at NIL indicating Net NPA to loans of NIL.

DEPOSITS

GRUH's deposit portfolio has increased to **Rs. 315.30 crores**, up from Rs. 288.00 crores last year. GRUH's Fixed Deposit programme has been rated "**FAA+**" by CRISIL and "**MAA+**" by ICRA. The rating of "**FAA+**" and "**MAA+**" indicates 'High Safety' as regards repayment of interest and principal. GRUH's Commercial Paper (CP) is rated at "**P1(+)**" by CRISIL and Non Convertible Debenture (NCD) is rated at "**AA+**" by ICRA.

RETAIL NETWORK

GRUH has a network of 121 retail offices across 7 states of the country. GRUH has 38 offices in Gujarat, 37 offices in Maharashtra, 11 offices in Karnataka, 18 offices in Madhya Pradesh, 9 offices in Rajasthan, 4 offices in Chhatisgarh and 4 offices in Tamil Nadu.



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Highlights of Operational Performance

(Rs. in crore)

Detail	September 30, 2011	September 30, 2010	Growth (%)
Net Interest Margin	84.81	66.16	28
Non Interest Expenses	18.98	15.15	25
Operating Profit	74.96	57.78	30
Profit Before Tax	59.90	47.19	27
Profit After Tax	41.47	32.37	28
Disbursements	647.56	529.35	22

October 25, 2011



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