



**GRUH
FINANCE
LIMITED**

We help you build homes

SEC: 2017:
April 18, 2017

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

BSE Code No: 511288

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

Symbol : GRUH

Dear Sir,

Sub: Press Release of Audited Financial Results for the quarter / year ended March 31, 2017

We forward herewith a copy of the press release in respect of the Audited Financial Results of the Company for the quarter / year ended March 31, 2017.

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

Encl: a/a

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

CIN : L65923GJ1986PLC008809 - Website : www.gruh.com

**GRUH FINANCE LTD.
FINANCIAL RESULTS FOR THE PERIOD APRIL 1, 2016 TO MARCH 31, 2017**

The Board of Directors of GRUH Finance Ltd. (GRUH) – a subsidiary of HDFC Ltd. – has approved the annual audited accounts for the year ended March 31, 2017 at their meeting held in Mumbai on April 17, 2017.

FINANCIAL RESULTS

Profit after tax for the year amounted to Rs. 296.65 crores as compared to Rs. 243.58 crores for the previous year indicating a growth of 21.79%.

The profit for the year has been arrived at after charging Rs. 29.07 crores (Previous Year Rs. 24.17 crores) towards of Deferred Tax Liability (DTL) on Special Reserve created during the year and Rs. 3.36 crore (Previous Year Rs. 2.26 crore) on Corporate Social Responsibility (CSR) Activities.

Dividend

The Board of Directors recommended payment of dividend for the year ended March 31, 2017 of Rs. 2.80 per equity share as against Rs. 2.30 per equity share in the previous year. Dividend payout ratio for the year inclusive of tax on dividend will be 41.42%.

The Central Government had vide notification dated March 30, 2016 and circular number 04/2016 dated April 27, 2016 had amended Companies (Accounting Standards) Rules, 2006 ('principal rules') effective FY 1617. According to the amended rules, the proposed dividend is not be recorded as a liability as at March 31, 2017. Accordingly, the proposed dividend of Rs. 102.08 crores and Tax thereon of Rs. 20.78 crores are not recognised as liability in annual accounts of FY 1617. However, the same will be recognized as liability on approval of shareholders at ensuing Annual General Meeting.

Year on year financial performance is as follows:

(Rs. in crore)

Particulars	2016-17	2015-16	Growth (%)
Net Interest Margin	526.13	421.17	25
Operating Profit	477.36	386.22	24
Profit After Tax	296.65	243.58	22
Loan Assets	13,244.32	11,114.55	19
Return on Networth	30.45%	31.49%	---
Gross NPA (%)	0.31%	0.32%	---
Net NPA (%)	NIL	0.09%	---
Cost to Income Ratio	15.87%	17.44%	---

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Loan Portfolio

The loan portfolio as at March 31, 2017 amounted to Rs. 13,244.32 crores as against Rs. 11,114.55 crores in the previous year – an increase of 19%.

LENDING OPERATIONS

Loan Disbursements

The major thrust on Retail Home Loans at Rs. 3121.36 crores during the year constituted 75.67% of total disbursement of Rs. 4125.28 crores and has grown by 31% over the previous year.

Loan disbursements during the year were Rs. 4125.28 crores as against Rs. 3856.58 crores in the previous year.

Cumulative loan disbursements as of March 31, 2017 were Rs.23,196.98 crores.

Non-Performing Loans

The gross NPA as at March 31, 2017 stands at Rs 40.58 crores. Gross NPA constitute 0.31% of the total loan outstanding of Rs. 13,244.32 crores as against gross NPA for the previous year at Rs. 35.55 crores or 0.32% of the outstanding loans.

GRUH carries a provision of Rs. 23.95 crores in the Balance Sheet as at March 31, 2017 on its NPA portfolio. Further, GRUH carries provision of Rs. 63.13 crores on its standard asset portfolio.

GRUH also carries additional provision for contingencies aggregating Rs. 16.63 crores.

The Net NPA stands at Rs. NIL indicating a ratio of Net NPA to Loans of NIL at the end of March 31, 2017.

CAPITAL ADEQUACY RATIO

Following the accretion to networth of Rs. 277.91 crore, the Networth of the Company has grown to Rs. 1113.21 crores, up from Rs. 835.30 crore in the previous year.

Capital Adequacy Ratio (CAR) for the company stands at 18.31% as at March 31, 2017 as against the required minimum CAR of 12% as stipulated by NHB. The Tier I Capital stands at 16.81% while Tier II capital is 1.50%.



GRUHs deposits portfolio has grown to Rs. 1,504.91 crores from Rs. 1,462.30 crores during the year indicating a growth of 3%.

GRUH's Fixed Deposit programme is rated "FAAA" by CRISIL and "MAAA" by ICRA. The rating of "FAAA" and "MAAA" indicates the degree of safety of repayment of principal and interest is Very Strong.

GRUH's Short Term borrowings including Commercial Paper (CP) and short term NCD's is rated at "A1(+)" by ICRA and CRISIL

GRUH's Long term Non Convertible Debenture (NCD) and Subordinated Debt NCD's (Tier II) is rated AAA by ICRA and CRISIL.

RETAIL NETWORK

GRUH expanded its retail office network to 185 offices across 11 states of the country from 179 offices in the last year. GRUH has 48 offices in Gujarat, 50 offices in Maharashtra, 17 offices in Karnataka, 29 offices in Madhya Pradesh, 12 offices in Rajasthan, 12 offices in Chhatisgarh, 10 offices in Tamil Nadu, 4 office in Uttar Pradesh and one each in Bihar, Jharkhand and West Bengal.

AWARDS AND RECOGNITION

During the year, GRUH received the prestigious FE CFO of the Year Award 2017 under the Service Category in the Large Enterprises segment at a function held in Mumbai on March 24, 2017.

April 17, 2017

