

Date: 22-04-2023

ISIN: INE526R01028
SCRIP CODE: 539017
SCRIP ID: STARHFL
PAN NO. AAGCA1988C

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

Sub: Press Release

Dear Sir / Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find attached press release with respect to Audited Financial Results for the quarter and financial year ended March 31, 2023 which will be disseminated shortly. The content of which is self-explanatory.

The Press Release may also be accessed on the website of the company at www.starhfl.com

This is for your information and records.

Thanking You,

For M/s. STAR HOUSING FINANCE LIMITED

Shreyas Mehta
Company Secretary and Compliance Officer
M.No. A38639

Encl: Press Release

STAR HOUSING FINANCE LIMITED, A RURAL FOCUSED HOME FINANCE COMPANY
POSTS 100%+ Y-O-Y GROWTH IN FY'2022-23
REGISTERS STRONG OPERATING AND FINANCIAL RESULTS. WELL POISED TO CONTINUE MOMENTUM

Mumbai | Apr 22, 2023

Star Housing Finance Limited (Star HFL), (BSE Scrip code BOM: 539017) a rural focused home finance company has recorded robust performance for the year ending Mar 31, 2023

The Board of Directors have today approved the full year audited financial results. FY'2022-23 has been the first operational year wherein Star HFL has registered 100%+ y-o-y growth. The scale up under a strong underwriting and risk framework has resulted in build-up of quality retail low ticket home loan book

Key Operational & Financial Highlights:

Gross Loan Book: The gross loan book as of Mar 31, 2023 has increased y-o-y by 136.33% inching towards Rs.250 crs mark during FY'2022-23

Build up of Quality AUM: Focused in house receivable management program with strong customer engagement through the loan life cycle has resulted in PAR (0+ dpd) getting reduced from 27.2% as of Mar 31, 2022 to now 5.06% as on Mar 31, 2023. Incremental book since Oct 2019 is 98%+ retail (average ticket size of 12-13 lakhs) having PAR of 0.68% and zero NPA

As of Mar 31, 2023, GNPA stands at 1.68% and NNPA stands at 1.25%

Geographically Diversified Scale Up: The AUM is build across the states of Maharashtra (Extended Mumbai Region: 25%, Extended Pune Region: 26%, Vidarbha Region: 11%), Madhya Pradesh (10%), Gujarat (5%), Rajasthan (18%) and Tamil Nadu (5%)

During the year Star HFL has doubled its physical presence to now 14 branches. Coupled with digital PoPs, the Company is now present at 30+ locations across operational geographies with a staff count of 150+ employees, more than 40% of which are in underwriting and collection functions at branches

Net Worth crosses Rs.100 crs: Star HFL has successfully raised capital in two rounds in FY'2022-23 which saw participation from reputed professionals from capital markets and BFSI space. The shareholding profile is augmented with participation from individual investors, institutional entities, a family office and an FPI. Star HFL now has an eco-system of more than 6500 shareholders. Courtesy these rounds, the net worth has crossed Rs.100 crs and stands at Rs.106.42 crs as of Mar 31, 2023.

Strong Liability Machinery: Star HFL has relationship with public sector banks, private sector banks, financial institutions and the National Housing Bank. During the year the Company has raised fresh term loans from 11 banks and FIs with current outstanding of Rs.111.6 crs. FY'2022-23 saw first term loan received from a social impact fund. Total borrowings outstanding as of March 31, 2023 is Rs.162.5 crs. Through the year, Star HFL has developed robust pipeline and shall continue to expand the engagement with other institutions in banking space

Top Line Growth: For the 12 months period ending March 31, 2023, the total income increased by 92.32% y-o-y

Expenses: Investment in quality manpower as required per the growth plan and related expansion in operational geographies has resulted in employee expenses increasing by 27.55% y-o-y. Total operating expenses have increased by 51% y-o-y primarily attributable to capacity creation for future build up and the scale up that happened in FY'2022-23.

Bottom line growth: For the 12 months period ending March 31, 2023, PBT increased by 507% y-o-y. Removing the exceptional non-cash expense line, PBT has increased by 328% y-o-y. For the 12 months period ending March 31, 2023, PAT increased by 1021% y-o-y. Removing the exceptional non-cash expense line, PAT has increased by 467% y-o-y

Employee Ownership Enabled: FY'2022-23 saw exercise of first tranche of ESOP I scheme ensuring participation of eligible employees as owners of the Company. Subject to all approvals and compliances in place, Star HFL looks forward to expand the ambit of employee ownership through further ESOP schemes through the growth journey

Strong and Reputed Board: Star HFL is governed by strong and an independent board comprising of reputed professionals from BFSI space viz. Mr. Amlendra Prasad Saxena, (Ex GM, NHB); Mr. Ajith Lakshmanan (Ex ED of LIC of India), Mr. Pradip Kumar Das (ex-ED IDBI Bank) and Ms. Neelam Tater (Professional CA & CS)

Outlook Upgraded: Taking a note of the Company's growth, quality of the loan book, established processes and risk framework, profile of the management team and overall corporate governance, CARE ratings has upgraded the outlook of the company to "Positive" in the fourth quarter of FY'2022-23

Financial Highlights - Key Financial and Operating Numbers / Ratios:

Operating & Financial Performance (In Lakhs)	FY2022-23	FY2021-22	Y-o-Y Change
Disbursements	18679.81	3657.94	410.66%
AUM (On Book + Off Book)	24599.06	10408.92	136.33%
GNPA (%)	1.68%	2.15%	-0.47%
NNPA (%)	1.25%	1.65%	-0.40%
Interest Income	3,234.89	1,797.37	79.98%
Total Income	3724.31	1936.54	92.32%
PBT	801.63	131.91	507.71%
PAT	697.99	62.22	1021.76%
Borrowing O/s	16249.99	7847.79	107.06%
Net Worth	10641.88	6409.85	66.02%
Leverage(x)	1.53	1.22	
NIM (%)	11.90%	11.35%	0.55%
ROE (%)	8.19%	1.06%	7.13%
ROA (%)	3.18%	0.51%	2.67%
BVPS (Rs.)	13.79	9.66	4.13
EPS(Rs.)(Annualized)	0.929	0.372	149.73%

* adjusted post bonus and split

Speaking on full year performance, Mr. Ashish Jain, MD of Star HFL said, “The leadership team had resolved in the beginning of the financial year that FY’2022-23 shall be the beginning of the growth journey for Star HFL and we are happy to have walked the talk registering 100%+ y-o-y growth across key business areas, notably record disbursements during the year and resultant AUM growth. This growth is backed by robust processes and guidelines across operational areas and is governed by strong review mechanism at the level of senior management and the Board.

Through liability program and capital raise, we have been able to mobilize funds to fuel the growth. Strong connect and follow up with customers has rationale PAR to lower single digits and this has provided us further confidence to grow our book.

One feels that rural India story in housing courtesy rise in income levels, nuclearization, and physical/digital infrastructure development is set to unfold in coming years. Local level drivers in these geographies for growth in residential mortgages shall aid growth of rural focused housing companies like Star HFL. We as a team look forward to the exciting next few years for quality growth and create value for all stakeholders”

Company Financials for FY2022-23 (Figures in Lakhs):

Balance Sheet as at	31-03-2023	31-03-2022
Assets		
Cash & Cash Equivalents	2,810.12	2,917.93
Bank Balances Other than Cash & Cash Equivalents	1,272.73	519.82
Loans	22,807.76	10,231.46
Investments	738.29	857.79
Other Financial Assets	320.69	480.75
Total Financial Assets	27,949.59	15,007.75
Property, Plant & Equipment	219.17	104.23
Intangible Assets	156.45	52.73
Rights to Use Assets	-	7.61
Deferred Tax Assets (Net)	76.12	21.49
Current Tax Assets (Net)	86.73	88.38
Other Non Financial Assets	62.75	43.84
Total Non Financial Assets	601.22	318.28
Total Assets	28,550.81	15,326.03
Liabilities		
Borrowings	16,249.99	7,847.79
Other Financial Liabilities	1,447.08	1,024.66
Total Financial Liabilities	17,697.07	8,872.44
Provisions	14.92	37.51
Other Non-Financial Liabilities	196.94	6.23
Total Non-Financial Liabilities	211.86	43.74
Equity		
Equity Share Capital	3,857.91	1,658.22
Other Equity	6,783.97	4,751.63
Total Equity	10,641.88	6,409.85
Total Liabilities and Equity	28,550.81	15,326.03

Profit & Loss Statement for year ended	31-03-2023	31-03-2022
Revenue From Operations		
Interest Income	3,234.89	1,797.37
Fees & Commission Income	106.39	24.17
Gain/loss on derecognition of financial Assets	29.90	7.34
Net Gain/Loss on Fair Value Changes	15.01	11.21
Other Operating Income	146.82	32.35
Other Income	191.29	64.10
Total Income	3,724.31	1,936.54
Expenses		
Finance Cost	1,128.84	617.01
Impairment of Financial Instruments	62.70	50.97
Employee Benefits expenses	950.25	745.01
Depreciation and amortisation expenses	35.55	27.21
Other Expenses	745.34	364.43
TOTAL EXPENSES	2,922.68	1,804.63
Profit Before Tax (I-II)	801.63	131.91
- Tax Expenses		
- Current Tax	129.95	45.91
- Deferred Tax	-26.31	23.77
Profit For the period (III-IV)	697.99	62.22

About Star Housing Finance Limited (Star HFL)

Star Housing Finance Limited (Star HFL) is BSE listed rural focused housing finance company. The Company has been operational in the affordable housing finance space since 2009. Star HFL provides long term housing finance assistance to EWS/LIG families towards purchase/construction of low-cost housing units (affordable housing) in its operational geographies. Star HFL is a professionally managed Company with a presence across states of Maharashtra, Madhya Pradesh, Gujarat, Rajasthan and Tamil Nadu. Star HFL is registered as a Primary Lending Institution (PLI) under the Pradhan Mantri Awas Yojana (PMAY) and has received subsidy for its qualified customers under CLSS scheme. Star HFL has its Registered & Corporate Office in Mumbai, Maharashtra

For further details contact:

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Chief Strategy Officer

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Star Housing Finance Limited [Formerly known as Akme Star Housing Finance Limited]

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