



Home First
Investor Presentation

Q3 FY24



Safe Harbour

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Executive Summary | Q3FY24

y-o-y

q-o-q

Assets Under Management (AUM)

₹ 90,137 Mn

+33.5%

+7.7%

Spread⁽²⁾

5.3%

-40 bps

-20 bps

Profit After Tax (PAT)

₹788 Mn

+34.2%

+6.1%

Disbursement

₹10,072 Mn

+29.1%

+5.0%

Opex to Assets

2.9%

+10 bps

0 bps

Return On Assets (ROA)

3.7%

-10 bps

-10 bps

Gross Stage 3 / POS (GNPA)

1.7%⁽¹⁾

In line with RBI circular dated 12 Nov 2021
1.1% prior to such classification

-10 bps

0 bps

DPD 30+ / POS

3.0%

0 bps

+10 bps

Return On Equity (ROE)

15.8%

+210 bps

+20 bps

(1) Pursuant to the RBI circular dated 12 Nov 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company has aligned its definition of default and taken steps to comply with the norms/ changes for regulatory reporting, as applicable. Such alignment has resulted in classification of loans amounting to ₹ 435.52 millions as Gross Stage 3 (GNPA) as at Dec'23 in accordance with regulatory requirements. Gross Stage 3 prior to such classification for Dec'23 is 1.1%.

(2) As per IGAAP

MD & CEO Commentary on Q3 FY24 Performance



Manoj Viswanathan
Managing Director and CEO

“We are happy to continue the growth momentum in Q3FY24. HomeFirst’s performance has been strong across all operating and financial parameters. We delivered PAT growth of 34.2% on y-o-y & 6.1% on q-o-q basis leading to ROE of 15.8% in an high interest rate environment. We believe the level of consistent and superior returns is a testimony to our strong risk management, use of right technology and scalability of our differentiated business model.

We continue to build distribution by simultaneously entering new markets and deepening our presence in existing markets. States of Uttar Pradesh & Madhya Pradesh are emerging as large affordable housing markets and we have taken steps to strengthen our presence and expand distribution in these states. Overall, we have added 3 branches in Q3 and now have 123 physical branches. Including potential & digital branches, we now do business across 305 touchpoints across Tier 1 to Tier 5 markets in 13 states / UT of India.

Disbursement in Q3 at Rs 1,007 Cr grew by 29.1% on y-o-y basis, leading to an AUM growth of 33.5% on y-o-y basis to Rs 9,014 Cr. Spreads remain healthy at 5.3%. PAT at Rs. 79 Cr and ROA is range bound at 3.7%.

Our asset quality continues to be strong with a focus on early delinquencies

- 1+ DPD is at 4.5% (+10 bps on y-o-y and flat on q-o-q basis).
- 30+ DPD at 3.0% (flat on y-o-y and +10 bps on q-o-q basis).
- Gross Stage 3 (GNPA) is at 1.7% (-10bps on y-o-y and flat on q-o-q basis). Prior to RBI classification circular of Nov’21, it stands at 1.1% (flat on y-o-y and q-o-q basis).
- Our credit cost at 30bps (-10bps on y-o-y & q-o-q basis).

Digital adoption continues to be strong and a key area of our focus as we grow. 94% of our customers are registered on our app as on Dec’23. Unique User Logins was 54% in Q3FY24. Service requests raised on app was stable at 88%.

We continue to stay focused on providing loans for affordable housing, led by distribution and use of technology, backed by diversified funding and strong risk management. We believe that given the tailwinds of the housing sector supported by overall economic growth momentum and strong execution mindset of the company, we will continue to deliver excellent results while staying true to our mission of being the **“Fastest Provider of Home Finance for the Aspiring Middle Class, delivered with Ease and Transparency.”**

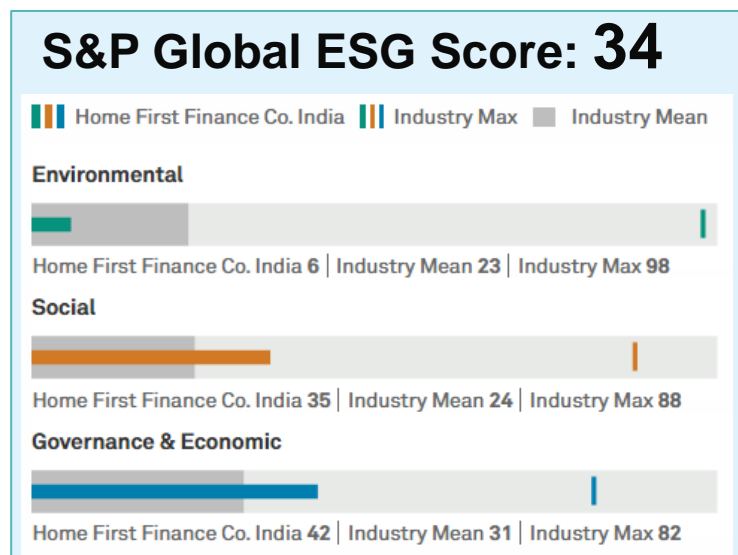
HomeFirst – Who are We?

- Technology driven affordable housing finance company with pan India presence
- Home loans to first time home buyers with predominant focus on salaried individuals having income < ₹ 50k p.m
- 86% of book comprise of housing loans with average ticket size of ₹ 1.14Mn
- Strong liquidity pipeline with positive ALM and zero commercial papers
- Data science backed centralized underwriting with in-depth understanding of local property markets

MorningStar Sustainalytics
ESG Risk Rating
 'Amongst Leading Ratings in BFSI Sector'

16.2
Low Risk

Strong Risk Management



123 Branches	13 States / UT	126 Districts	305 Touchpoints	90,851 Customers	68% Salaried occupation mix of AUM (Dec'23)	₹24,680 Mn Liquidity buffer as on Dec'23	1,236 No of Employees (Dec'23)
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Our Journey



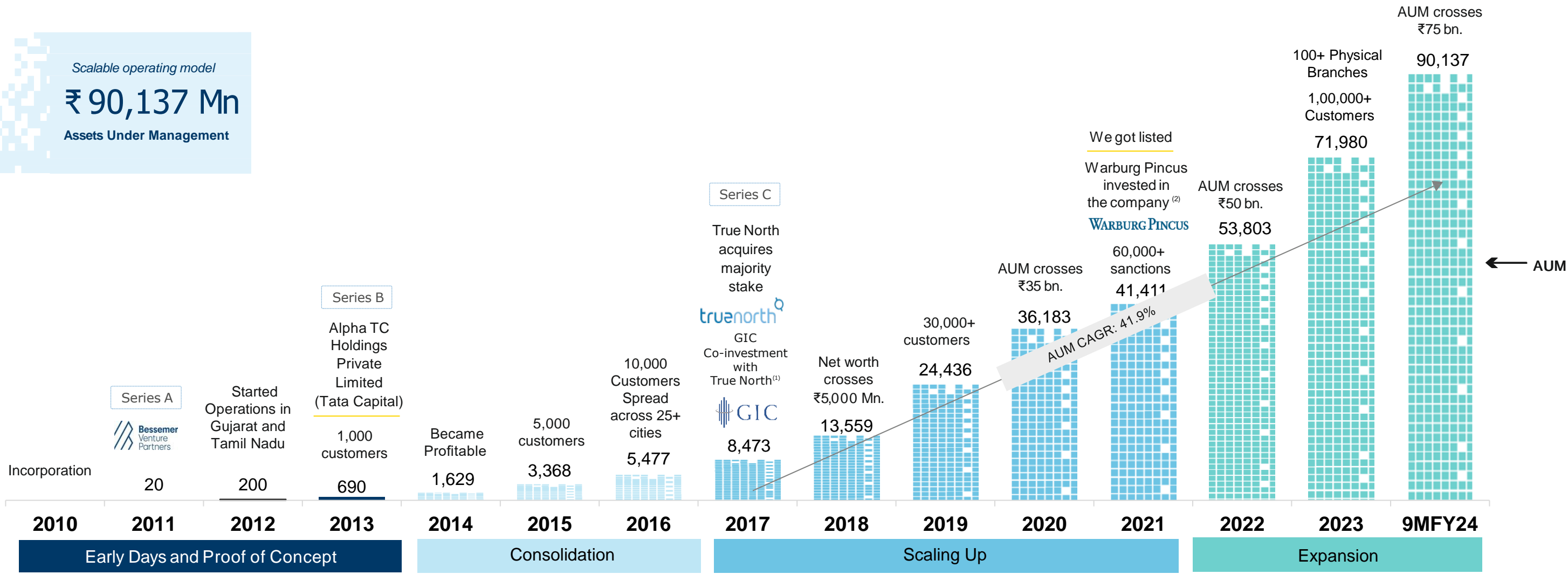
Scalable operating model
₹ 90,137 Mn
 Assets Under Management

CARE Rating
BBB- **BBB+**

CARE / ICRA Rating
A- **A+**

India Ratings
AA-

ICRA / CARE Rating
AA-

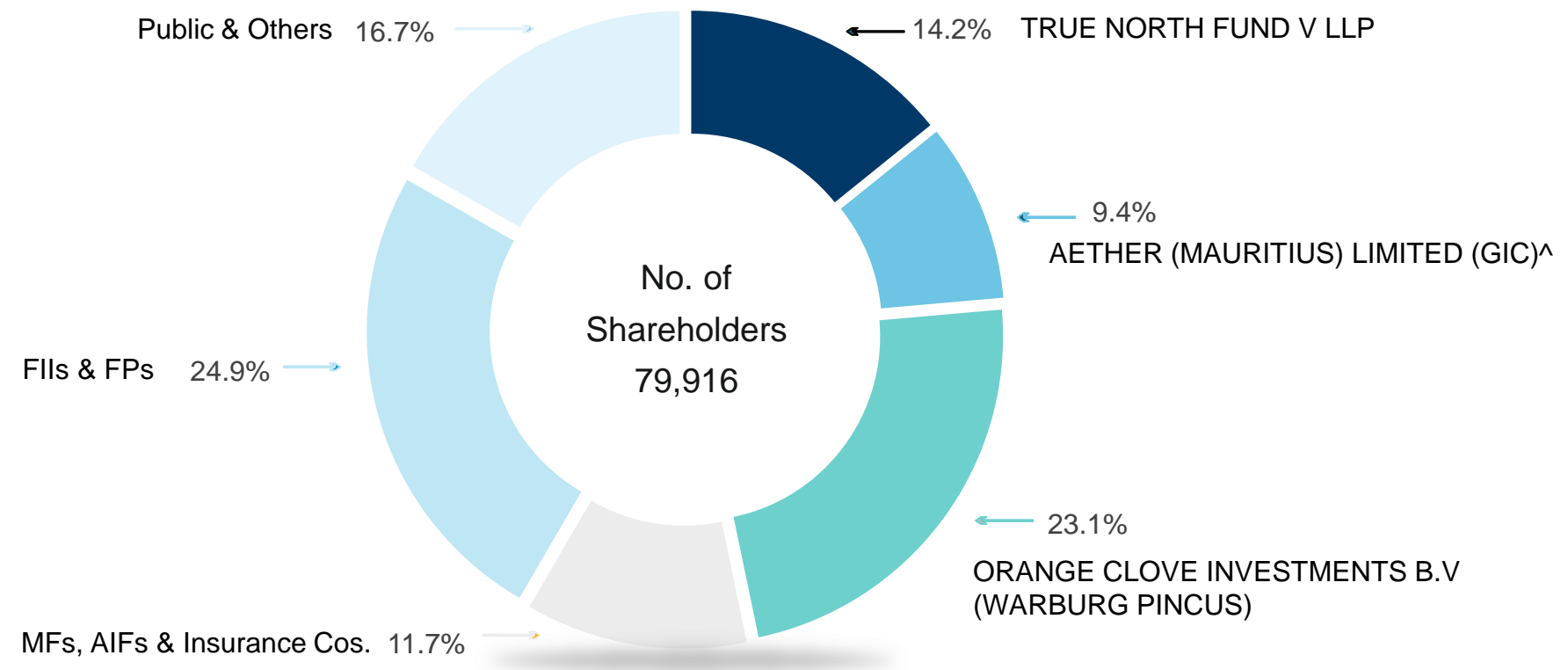


Note: AUM in INR Million

(1) Aether has co-invested with True North. Waverly owns 100% of Aether Class B Shares. Waverly is a wholly-owned indirect subsidiary of GIC (Ventures) Pte. Ltd

(2) Investment by Orange Clove Investments B.V (an affiliate of Warburg Pincus). Warburg Invested on 1st October 2020

Shareholding as on 12 Jan'24



PROMOTER & PROMOTER GROUP		% Holding
TRUE NORTH FUND V LLP		14.2
AETHER (MAURITIUS) LIMITED (GIC)^		9.4
KEY INVESTORS		% Holding
ORANGE CLOVE INVESTMENTS B.V (WARBURG PINCUS)		23.1
MFS & AIFS		% Holding*
INVESCO INDIA MF		3.0
ADITYA BIRLA SUNLIFE MF		1.4
CANARA ROBECO MF		1.0
TATA MUTUAL FUND		1.0
EDEL MF		0.7
BANDHAN MF		0.6
SUNDARAM MUTAL FUND		0.6
ALCHEMY IM		0.6
FIIS & FPIS		% Holding*
FIDELITY INTERNATIONAL		4.9
NORGES FUND		3.3
GOLDMAN SACHS INDIA EQUITY		2.9
CAPITAL GROUP		2.7
KUWAIT INVESTMENT AUTHORITY FUND F239		1.3
WILLAIM BLAIR		1.2
TAIYO GREATER INDIA FUND		1.0
PRINCIPAL AM		1.0
CRESTWOOD CAPITAL MASTER FUND		0.9
LION GLOBAL		0.9
ENVISION FUND		0.6
AL MEHWAR COMMERCIAL INVESTMENTS		0.5

* Holding through various schemes and funds including advisory mandates

^Waverly owns 100% of Aether Class B Shares. Waverly is a wholly-owned indirect subsidiary of GIC (Ventures) Pte. Ltd

Distinguished Board of Directors



Deepak Satwalekar

*Chairman / Independent /
Non-Executive Director*



Geeta Dutta Goel

*Independent /
Non-Executive Director*



Anuj Srivastava

*Independent /
Non-Executive Director*



Sucharita Mukherjee

*Independent /
Non-Executive Director*



Divya Sehgal

*Nominee /
Non-Executive Director*



Maninder Singh Juneja

*Nominee /
Non-Executive Director*



Narendra Ostawal

*Nominee /
Non-Executive Director*



Manoj Viswanathan

Managing Director and CEO


Experienced Management Team



Manoj Viswanathan
Managing Director and CEO



Ajay Khetan
Chief Business Officer



Vilasini Subramaniam
Head - Strategic Alliances



Gaurav Mohta
Chief Marketing Officer



Nutan Gaba Patwari
Chief Financial Officer



Ashishkumar Darji
Chief Risk Officer



Abhijeet Jamkhindikar
Business Head - Maharashtra



Ramakrishna Vyamajala
Chief Human Resource Officer



Arunchandra Jupalli
Business Head - South

Meet Our Customers

Who are they?

What is their story?

Formal Salaried

Customer 1
Age:38 / Location: Indore



Govt. employee - working at Nagar Nigam, has a total family income of ₹28,887

- Her current salary is ₹11,997 pm and she is getting a pension income of ₹12,900 pm on behalf of her husband
- She also does tailoring work and earns an additional income of ₹4,000 pm
- Assessment based on total income (formal salary + additional family income) unlike traditional financiers
- Home Loan sanctioned: ₹1.2mn at RoI of 12.60% and EMI of ₹ 14,232. First disbursal in Nov'21
- Current status: Standard

Salaried
68%

Informal Salaried

Customer 2
Age: 46 / Location: Hyderabad



Automobile technician in an engineering company since last 23 years and has a family income of ₹47,000

- Both Applicant and Co-Applicant have informal income. Applicant – cash salary of ₹35,000 p.m., Co App – cash salary of ₹12,000 p.m.
- His wife (co-app) is working as a maths teacher at a high school since last 7 years
- Informal sources of income made it challenging for traditional lenders to find the correct loan eligibility for them
- Home Loan sanctioned: ₹1.0 mn at RoI of 13.75% and EMI of ₹12,254. First Disbursal in Feb'22
- Current Status: Standard

Self Employed
32%

Self Employed

Customer 3
Age: 46 / Location: Haridwar

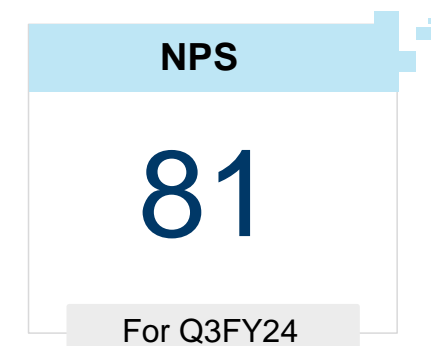


Applicant runs a gol gappa stall since last 25 years and has monthly family income of ₹50,000

- Applicant's income from business ₹15,000 p.m., CoApp's (wife) income - ₹20,000 p.m and CoApp's (Son) income - ₹15,000 p.m.
- The father (App) and son (CoApp) duo run separate golgappa stalls, each with their own income. The applicant's wife runs an independent golgappa manufacturing business and supplies to various street food stalls.
- They faced difficulty with lengthy documentation process at banks; taking time out of their work meant loss of a day's business
- Home Loan sanctioned: ₹1.60 mn at RoI of 14.00% and EMI of ₹18,745. First Disbursal in Feb'23
- Current Status: Standard

Our Unique Value Proposition to Our Customers

Who are our customers	What do our customers need	What challenges do they face
<ul style="list-style-type: none"> Salaried and self-employed individuals 75%+ Customers with annual household income level less than ₹0.6 mn comprising 65% of AUM First time home buyers 24% customers are new to credit contributing to 18% of AUM 	<ul style="list-style-type: none"> Home loan requirement primarily in the ₹0.5 -1.5 mn range ⁽¹⁾ Access to formal housing finance Minimal disruption to daily work routine 	<ul style="list-style-type: none"> Inability to meet documentation requirements of traditional lenders Time consuming loan sanction process Dealing with middle men



Our Value Proposition

Access	Speed	Transparency	Service
<ul style="list-style-type: none"> Understanding customer's needs via well educated & trained RMs Right-size the loan through a holistic evaluation of all formal/informal sources of income Alternative documents (Life insurance policies, property deeds etc.) used for evaluation 	<ul style="list-style-type: none"> 48 Hr Turn Around Time for Approval Centralised & consistent underwriting Mobility solutions for our customers, employees and sales channels for quick and efficient processes and service 	<ul style="list-style-type: none"> Mandatory counselling sessions for customers on loan and insurance terms Digital access to loan documents for the customer No prepayment charges and easy prepayment options 	<ul style="list-style-type: none"> Home visits coupled with paperless process to ensure minimal disruption to daily customer routine Dedicated Service Manager for every customer Customer app for easy access to loan statements, prepayments and raising service requests

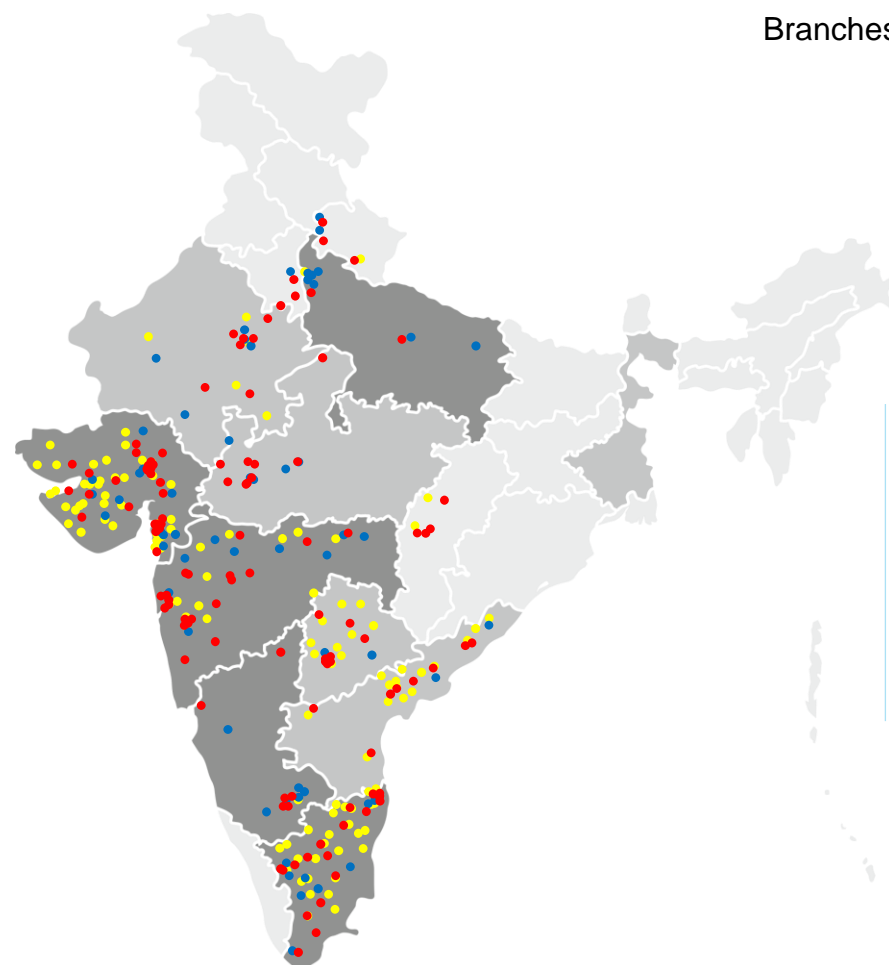
Note: Data for the period Q3FY24 (1) ~56% loans with Average ticket size between INR 0.5-1.5mn as of Q3FY24

Distribution Strategy

0 - 4 4 - 7 7 - 15

Contribution to India's GDP FY'23 (%)

- Physical branches - 123
 - Proposed branches - 65
 - Digital branches - 117
- } 305 Touchpoints



Business commenced in
3 new physical branches

Increased presence in
1 new district

Pan India Distribution driven by strategic market selection & contiguous expansion

123 Branches 126 Districts 13 States/UT 305 Touchpoints

Geographic Expansion

States/Territories	Number of		Percentage of gross loan assets as on			
	Branches	Districts	Dec'23	Dec'22	Mar'23	Mar'22
Gujarat	28	22	32.0%	33.2%	32.6%	36.0%
Maharashtra	21	18	13.4%	14.8%	14.4%	16.1%
Tamil Nadu	22	25	14.0%	13.5%	13.7%	12.2%
Telangana	8	12	8.9%	8.6%	8.9%	7.5%
Andhra Pradesh	9	9	4.8%	4.2%	4.5%	3.2%
Karnataka	6	7	6.9%	7.5%	7.5%	8.1%
Rajasthan	8	8	5.8%	5.8%	5.7%	5.7%
Madhya Pradesh	10	9	5.8%	5.1%	5.1%	4.9%
Uttar Pradesh & Uttarakhand	5	9	5.7%	4.7%	5.0%	3.9%
Chhattisgarh	4	4	1.9%	1.8%	1.8%	1.5%
Haryana & NCR	2	3	0.8%	0.8%	0.8%	0.9%
Total	123	126	100.0%	100.0%	100.0%	100.0%

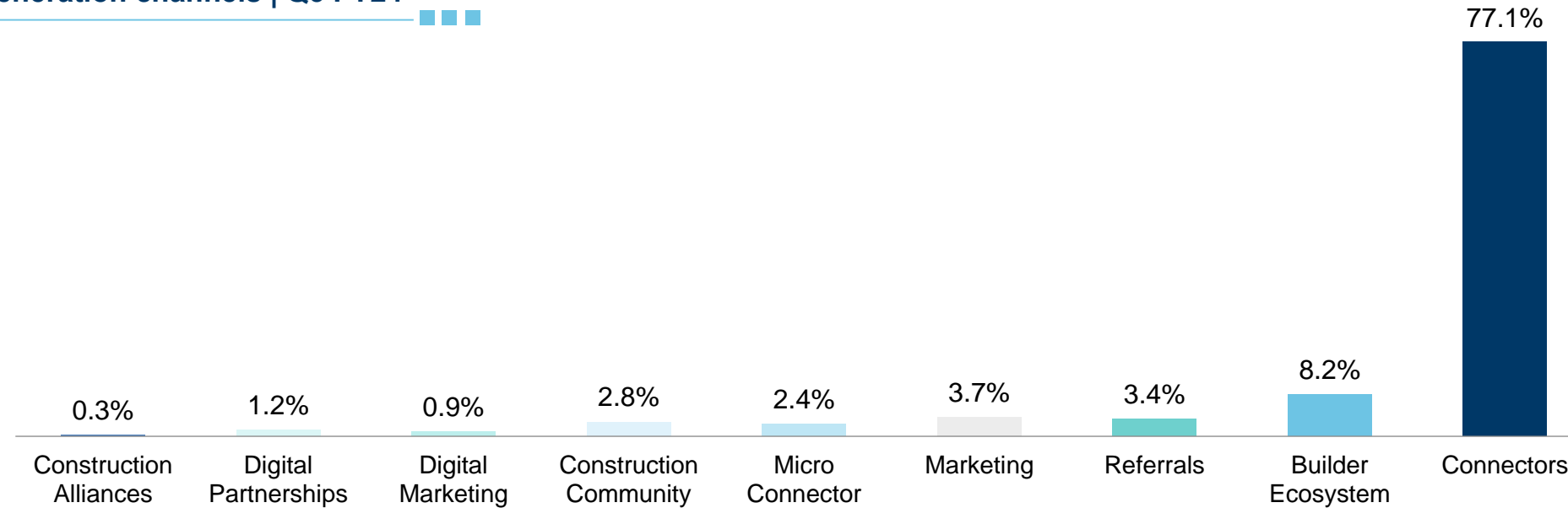
States/UT include states/UT from where we source loans irrespective of physical presence of a branch in those states/UT

Note: Source for Contribution of states to India's GDP: NSO, MOSPI

Disclaimer :Map not to scale. All data, information and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

Omni Channel Lead Generation Strategy

Diversified lead generation channels | Q3 FY24

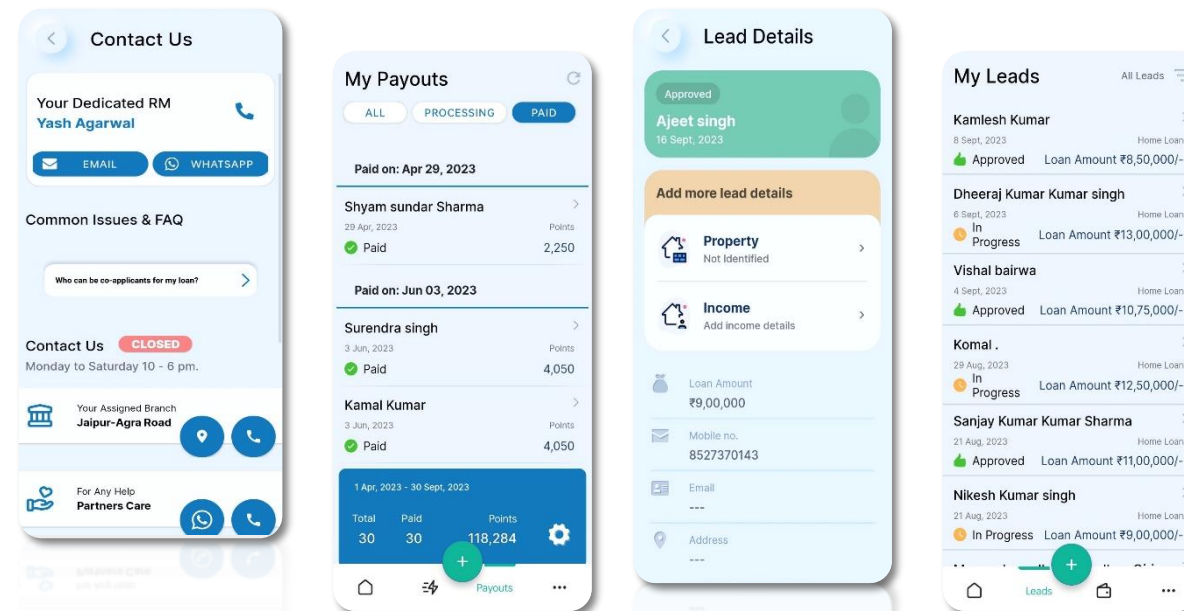


Diversified channels for generating leads such as connectors, builder ecosystem, digital, etc.

100% in-house conversion by HomeFirst RMs.

...effectively managed via connector app

Scan and Download



96.5% connectors registered on the Connector App

Data Science Backed Centralised Underwriting

Risk Management Design

- Salaried customers
- Build detailed understanding of customer via field visits by RM
- In-depth understanding of operating geographies and property types
- Low under construction exposure and low LTV

Tech-Led

- 100+ data points & digitally captured data for all customers
- API integration with third party independent sources like Hunter, Perfios etc.
- All customer and internal communication, documents, photographs, videos available on a single cloud based system

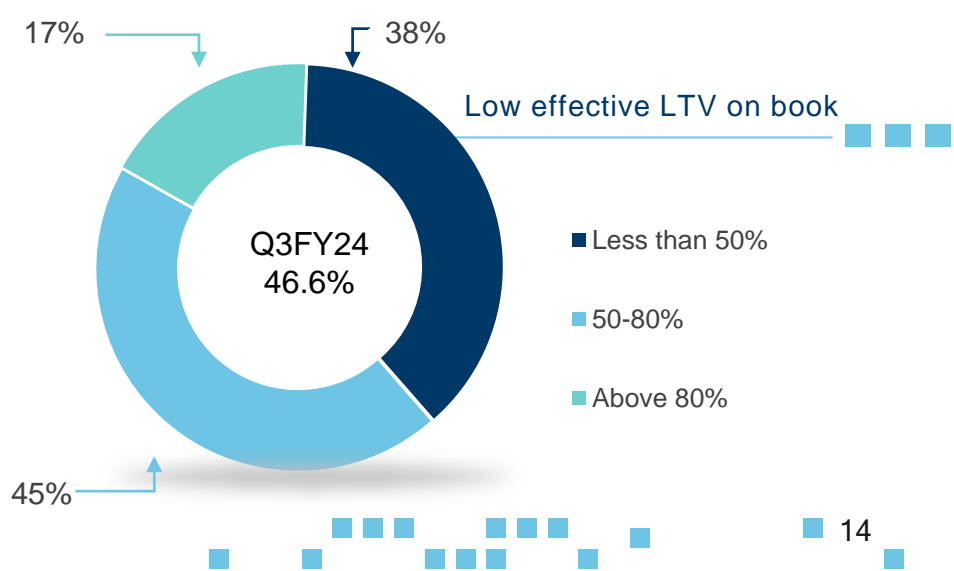
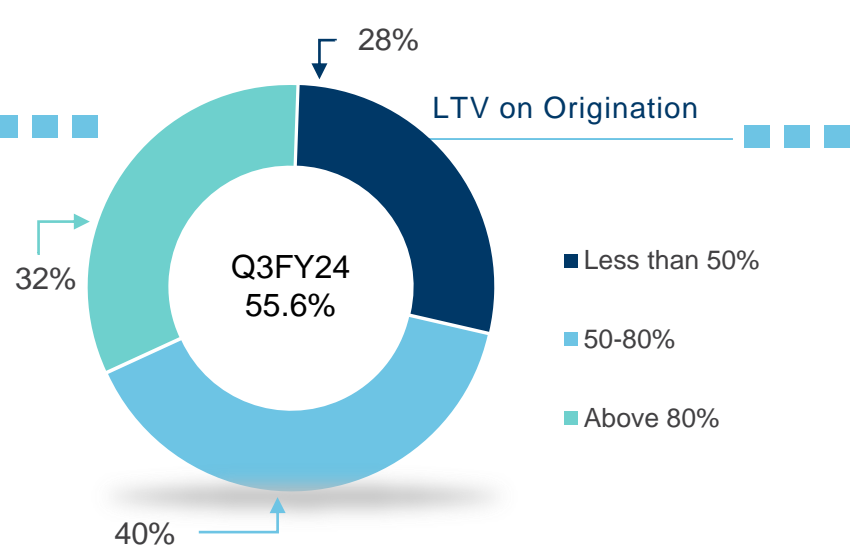
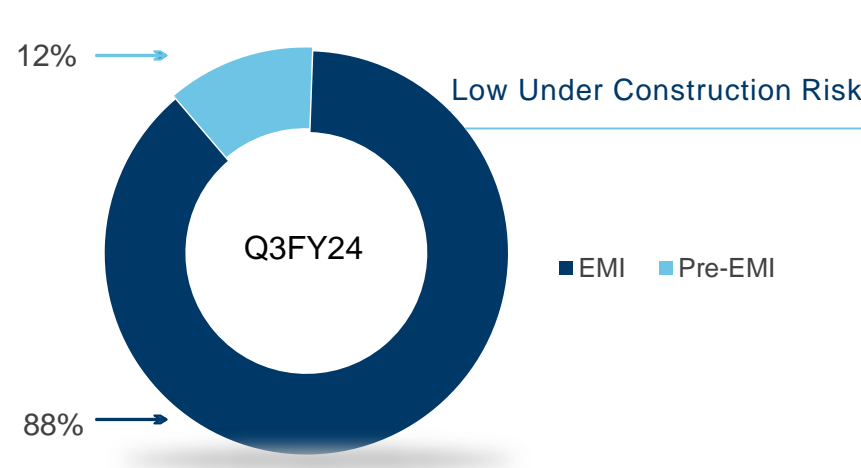
Centralised

- Consistency in underwriting
- Integrated CRM and Loan Management System on cloud based platform
- Proprietary Machine learning & Customer scoring models used for credit decision

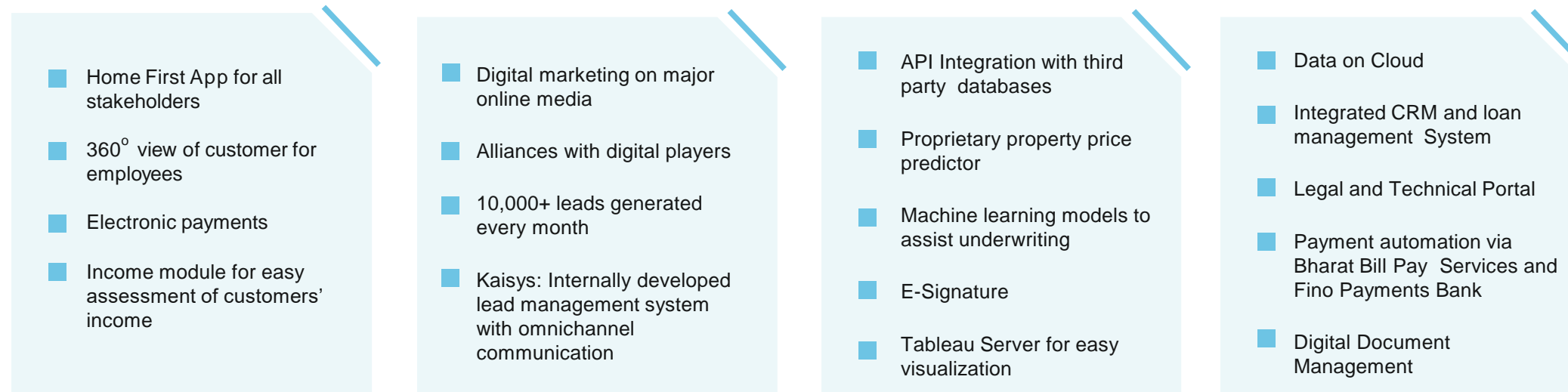
Loans Approved within 48hrs

92%

For Q3FY24



Scalable Operating Model built on Holistic Technology Usage



Recent Tech Interventions

- Account Aggregator
- KRA module integration with LOS
- Tableau visualization within Salesforce
- Property Insight 2.0

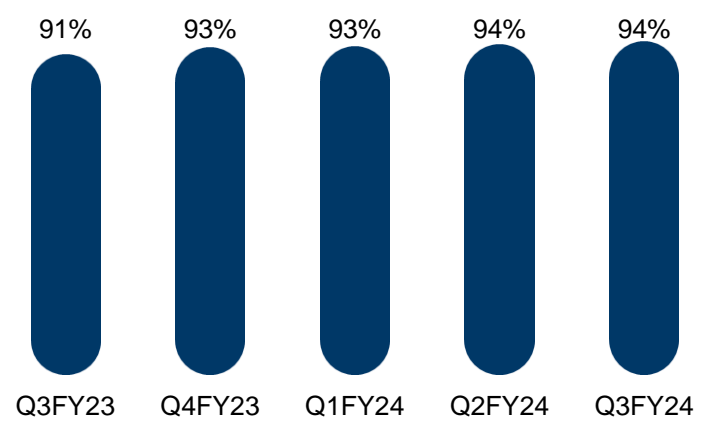


End - To - End Digital Process For Housing Loans

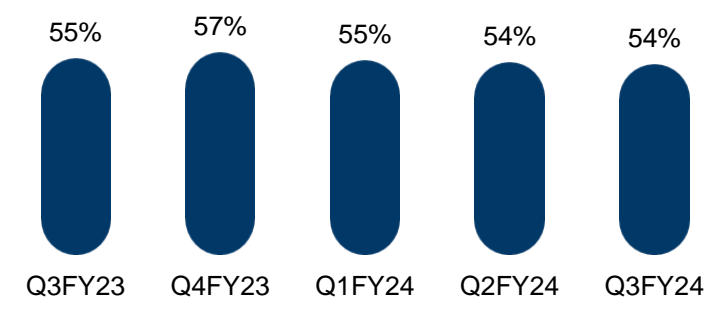


Digital Adoption

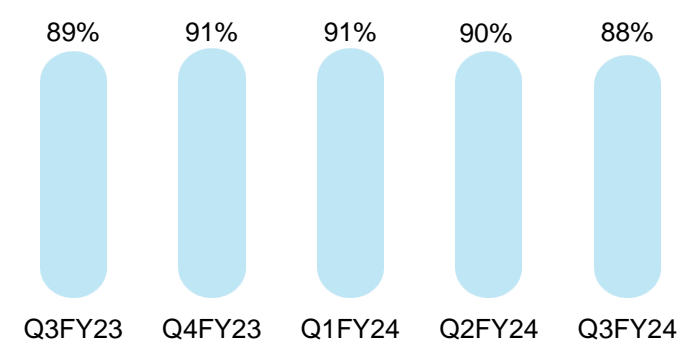
% Customers registered on App



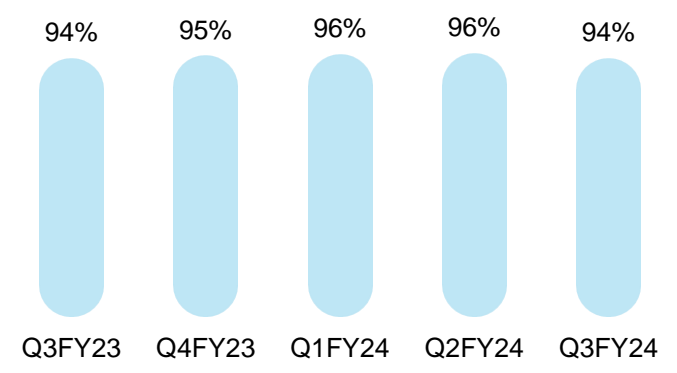
Unique user logins as % of active customers



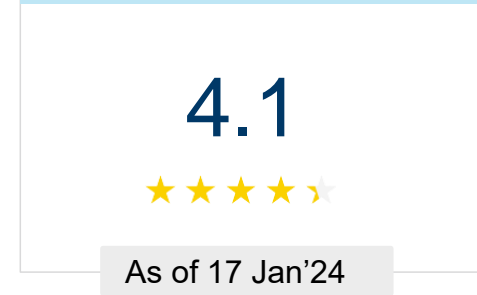
% of Service Requests raised on App



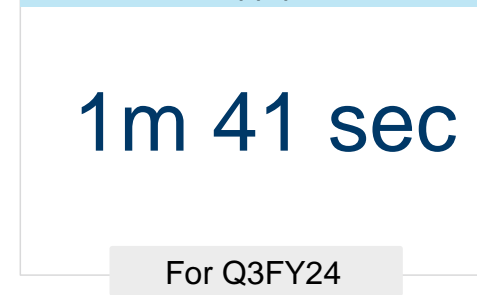
% Non-cash collections



Customer Rating on Google Playstore



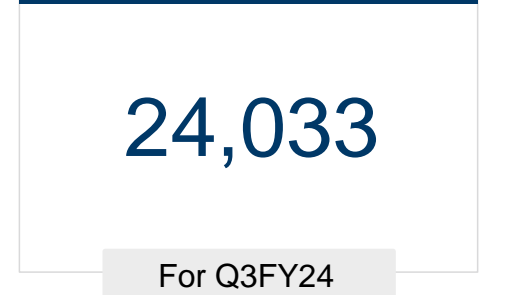
Avg time spent by user on the app per session



Average payment per user on app

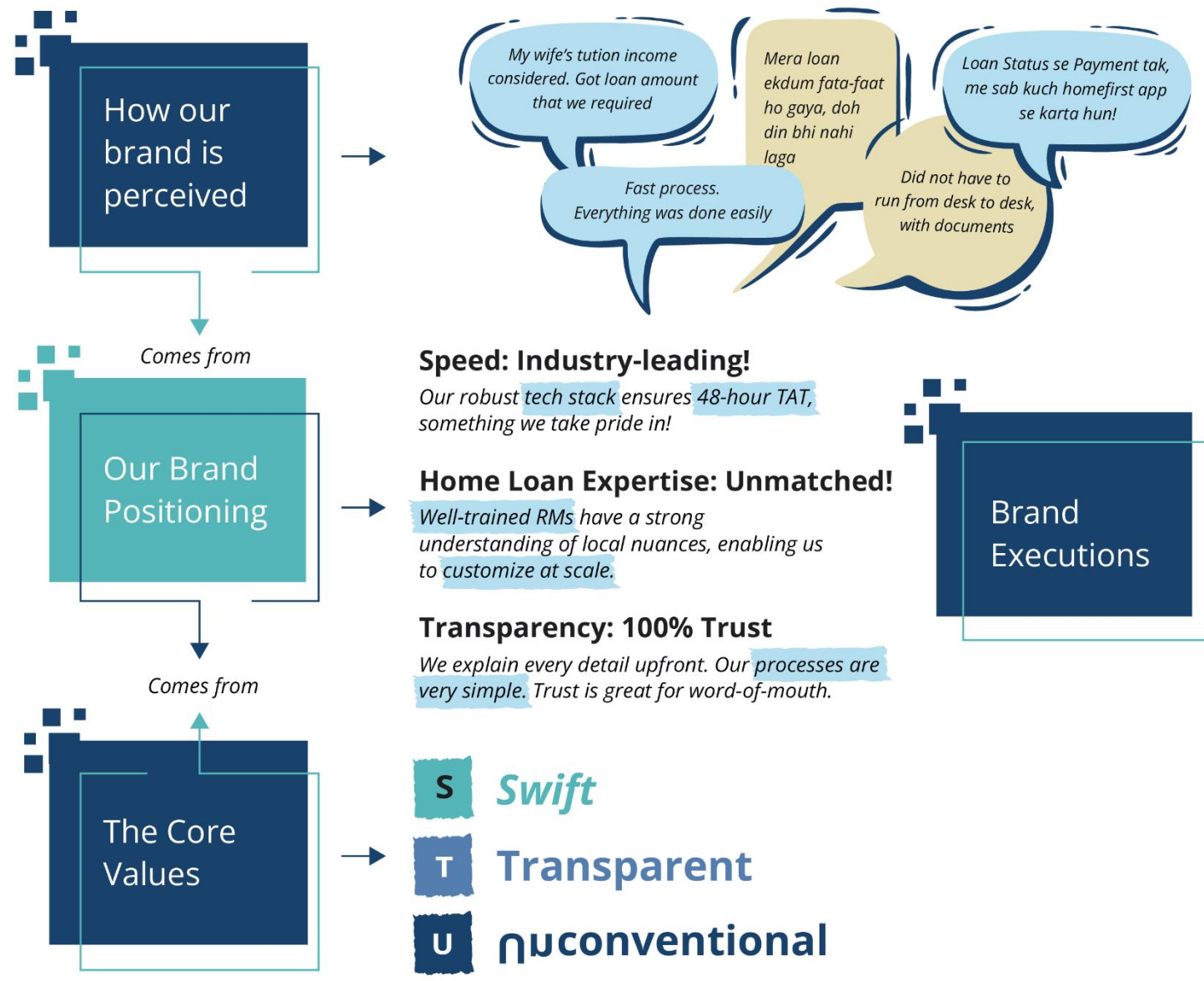


No of Payments via Customer App



Source: HomeFirst App Database | Note: Service requests raised are a count of unique requests made by the customers on the app.

Building the Brand HomeFirst



My wife's tuition income considered. Got loan amount that we required

Fast process. Everything was done easily

Mera loan ekdum fata-faat ho gaya, doh din bhi nahi laga

Did not have to run from desk to desk, with documents

Loan Status se Payment tak, me sab kuch homefirst app se karta hun!

- Speed: Industry-leading!**
Our robust tech stack ensures 48-hour TAT, something we take pride in!
- Home Loan Expertise: Unmatched!**
Well-trained RMs have a strong understanding of local nuances, enabling us to customize at scale.
- Transparency: 100% Trust**
We explain every detail upfront. Our processes are very simple. Trust is great for word-of-mouth.



Context: India vs Pak, WC Cricket | Cricket is a religion, and we had to talk about it! **Brand association: Speed**



Context: Indian festivals - Ganpati and Navratri | Homeowners celebrate with Homefirst! **Brand association: Customer-delight**

ESG at HomeFirst

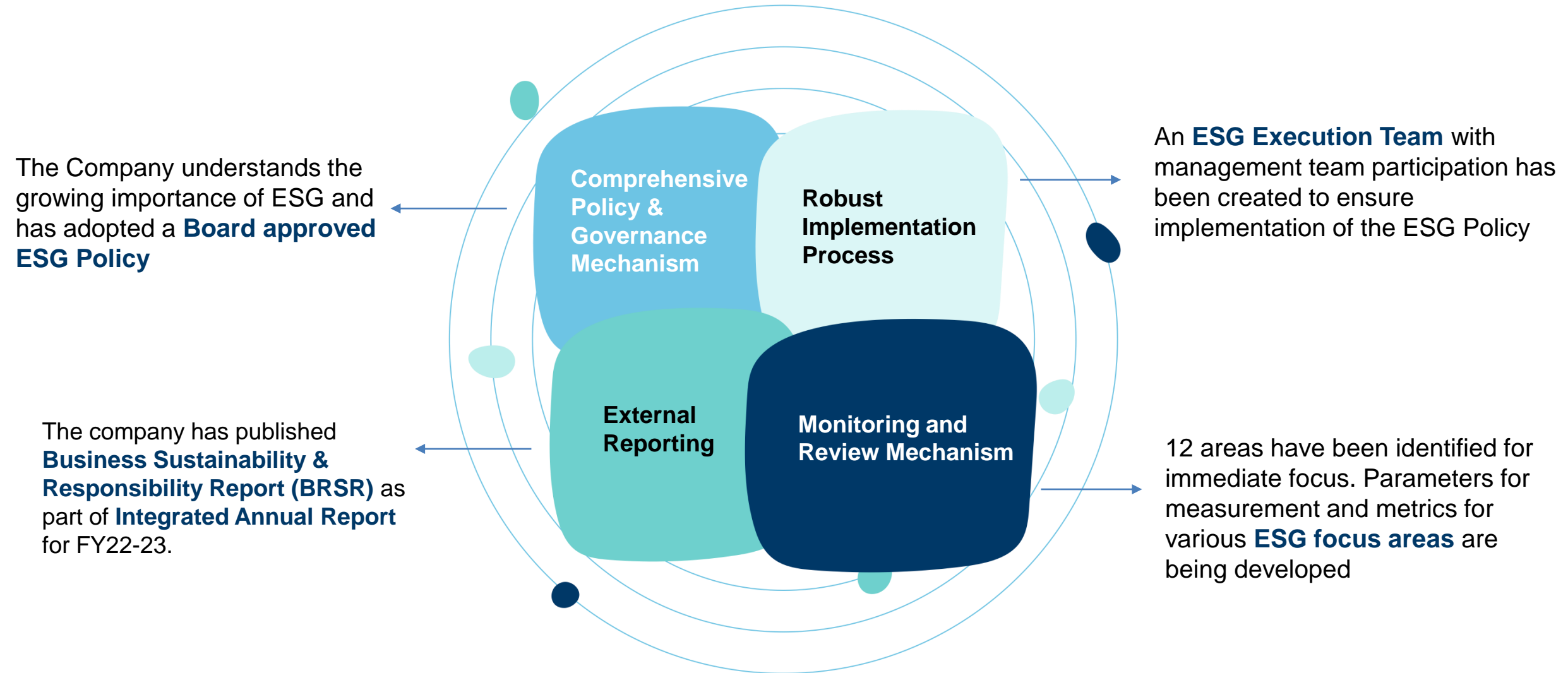
Putting sustainability at core of operations



Commitment to ESG



ESG Framework



Digital Processes from start to finish to reduce Carbon Footprint

Green Operations

Operational Eco-efficiency & Climate Resilience

HomeFirst has a deeply ingrained Ideology of all processes being **paperless** across the product cycle.

Implemented Electronic processes even for traditional activities such as

- Capturing KYC documents
- Agreements signed digitally (70% of total in Q3FY24)
- E-Stamping (59% of total in Q3FY24)
- E-NACH mandates (70% of total in Q3FY24)

This results in saving of paper, time and energy.

Mobile apps

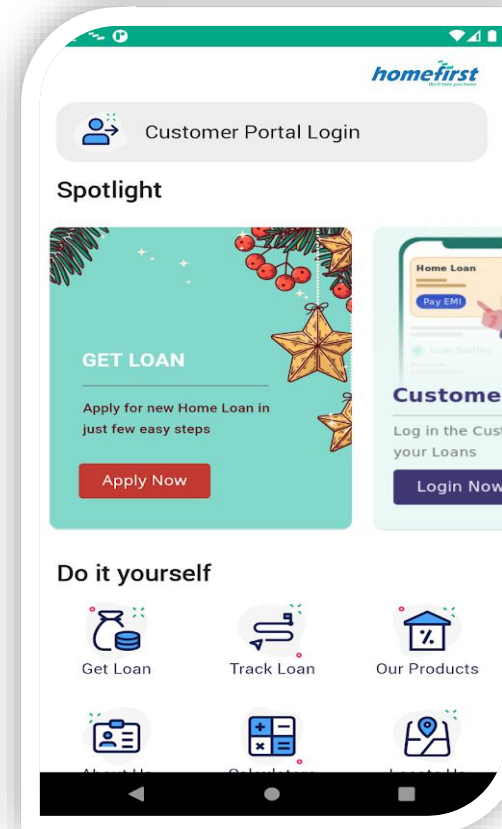
- Provided to customers, employees and connectors.
- This has helped cut down on branch visits, thereby saving time, fuel as well as energy.

Other initiatives helped reduce use of electricity

- Cloud based loan management system and CRM.
- Open office structure in Head Office & Branches.

More information on our tech stack from slides 14 to 16.

Customer App



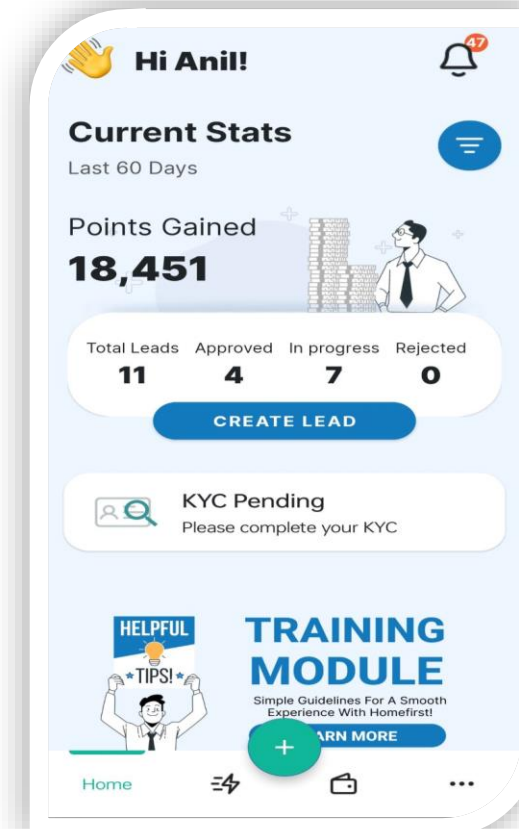
Google rating of Homefirst Customer App

4.1



As of 17 Jan'24

Connector App



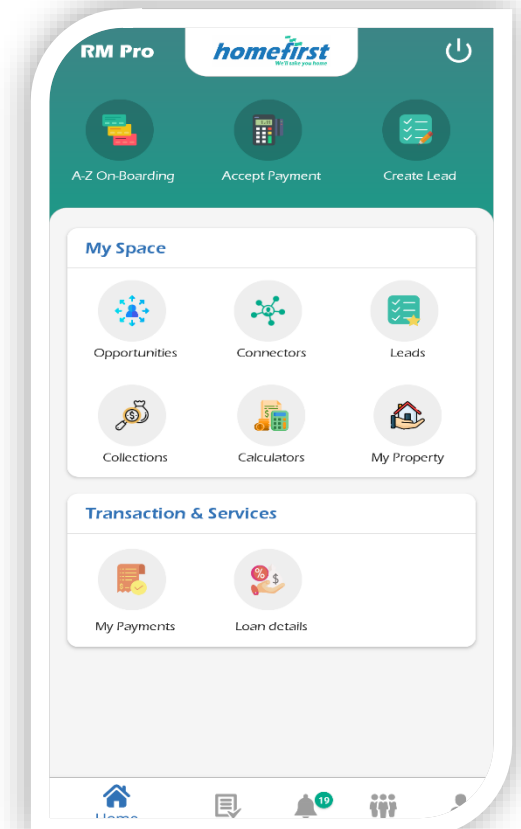
Google rating of Homefirst Connect App

4.6



As of 17 Jan'24

RM Pro App



Google rating of Homefirst RM Pro App

4.8



As of 17 Jan'24

Progress on Social Development

Responsibility towards community

Project “Sashakt”, an initiative by HomeFirst to bring an all-around improvement in the social, health and economic status of migrant factory workers living in Narol & Naroda (Ahmedabad) now has **3,000+ beneficiary families**.

- Added a new Sashakt Skilling centre in Naroda. In Q3, 201 beneficiaries enrolled.
- Health
 - OPDS: Helped 1700+ beneficiaries
 - Eye Camp : 200+ beneficiaries & 116 glasses provided.
 - Dental Camp: 130+ beneficiaries
 - 142 Full body profiling
- Impetus to Practical Education in 10 schools - 4,000+ students enrolled. 4 Gov/Semi schools newly added,

“Mahila Shram Shakti Kendra”, an initiative by HomeFirst in Ahmedabad & Surat to empower the women migrant workers facing extreme vulnerabilities

- In Q3, **600+ women** enrolled for E-Nirman cards.
- **37 women** registered for Maternity benefits (BOCW).

Responsibility towards employees

Employee Training and Development

Formal talent pipeline development strategy. During the period Q3FY24, **3154 manhours** of training was provided to employees through various courses

Employment & Labour Practices

Adopted policies for creating a safe and conducive as well as inclusive work environment for its employees:

- **HR Policy**
- **Equal Opportunity Policy**
- **Parental Leave Policy**

This is reflected in the diverse employee base consisting of

- **28% women overall**
- **53% women at head office**
- **~22% women in senior management**

Employee Ownership

As of 31 Dec'23, **315 employees** are covered under ESOP programs – comprising of **25.5%** of employee base

Human Rights, Health & Safety

Employee Development and Wellbeing: We have conducted programs for Financial, Emotional and Physical wellness for our employees.



Progress on Social Development

Responsibility towards customers

Customer Satisfaction

- **Customer focus:** Playing a key role in **Financial inclusion** by facilitating affordable home loans and empowering women borrowers.
- **EWS and LIG customers account for ~65% of AUM.**
- **Feature rich** mobile apps to provide seamless service and to track **NPS score** as a feedback mechanism. Our NPS score for Q3FY24 is 81.
- **EWS and LIG customers account for ~65% of AUM.**
- **Prepayment facility** provided on the Customer App to “**nudge**” customers towards prudent finance management.
- **94%** of active customers are registered on HomeFirst Customer Portal App. Android Rating is **4.1 (17 Jan'24)**.
- Throughout the duration of PMAY programme, a total of **38,507** customers were assisted with the **PMAY subsidy benefit from NHB**, amounting to cumulative credit of **Rs. 966.4 Cr** to their account. This has helped **reduce ~26%** of Loan Amount for those customers
- **Grievance Redressal Policy** is in place to receive and respond to customer complaints. Link: <https://homefirstindia.com/policy/complaints-grievances/>

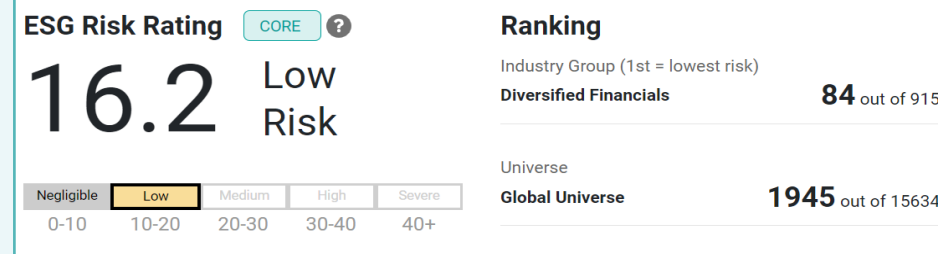
ESG Initiatives

Sustainable Finance

- **Funds raised from IFC to finance affordable housing and green housing.** HomeFirst raised Rs 280 crores from International Finance Corp (IFC) through up to 7-year debt. [Link](#)
- **Funds approved from DFC to support women borrowers for financing affordable housing.** U.S. International Development Finance Corporation (DFC) Board of Directors approved a \$75 million loan to HomeFirst to support affordable housing mortgage loans to women low-income borrowers. [Link](#)

ESG Risk Rating - Leading ESG score in the BFSI Industry in India.

MorningStar Sustainalytics **ESG Risk Rating of 16.2, Low Risk and Strong rating for ESG Risk Management.** [Link](#)



S&P Global ESG score of 34. [Link](#)



- The company published its **Sustainability Report** for the year FY22-23 as part of its **Integrated Annual Report**. Link: <https://homefirstindia.com/files/Sustainability%20Report.pdf>.
- The Company received a **Certificate of Merit in PMAY Empowering India Awards 2022**
- Enhanced training measures by implementing training sessions for Prevention of Sexual Harassment (POSH) and Human Safety

Strong Governance Structure

Work Sustainably & Ethically

Sustainable Finance

We promote Financial Inclusion.

We have customers belonging to EWS and LIG categories which account for 66% of our book size.

Overall, ~90% loans have woman as borrower

- **Primary applicant in 14% of AUM**
+
- **At least 1 woman co-borrower in 76% of AUM**

Code of Conduct and Business ethics

- Company has **Code of Conduct for its employees** which has operational guidelines. [Link](#)
- We have a **code of conduct for our connectors** [Link](#)
- Continuous training and communication on **Whistle Blower and POSH (Prevention of Sexual Harassment)**

Governance at core

Corporate Governance

- **Core competencies of Independent Directors directly relevant to company's operations.**
- **Diverse Board, Senior management and employee base.**

The Company has also adopted the following policies to ensure ethical, transparent and accountable conduct:

- Customer Grievance Policy [\(Link\)](#)
- Code of Conduct for the Board of Directors and Senior Management Personnel [\(Link\)](#)
- Fair Practice Code [\(Link\)](#)
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information [\(Link\)](#)
- Policy on Prevention of Sexual harassment [\(Link\)](#)
- Vigil Mechanism and Whistle blower [\(Link\)](#)
- Know Your Customer (KYC) and Anti Money Laundering Measures Policy [\(Link\)](#)
- Internal Guidelines on Corporate Governance [\(Link\)](#)

Separate Chairman & Managing Director position

Experienced Board & Management with diversified expertise across Technology, Financial Inclusion & Risk Management

7 of 8
Directors are non-executive

4 of 8
Independent Directors

2 of 8
Woman Directors

Strong Governance Practice

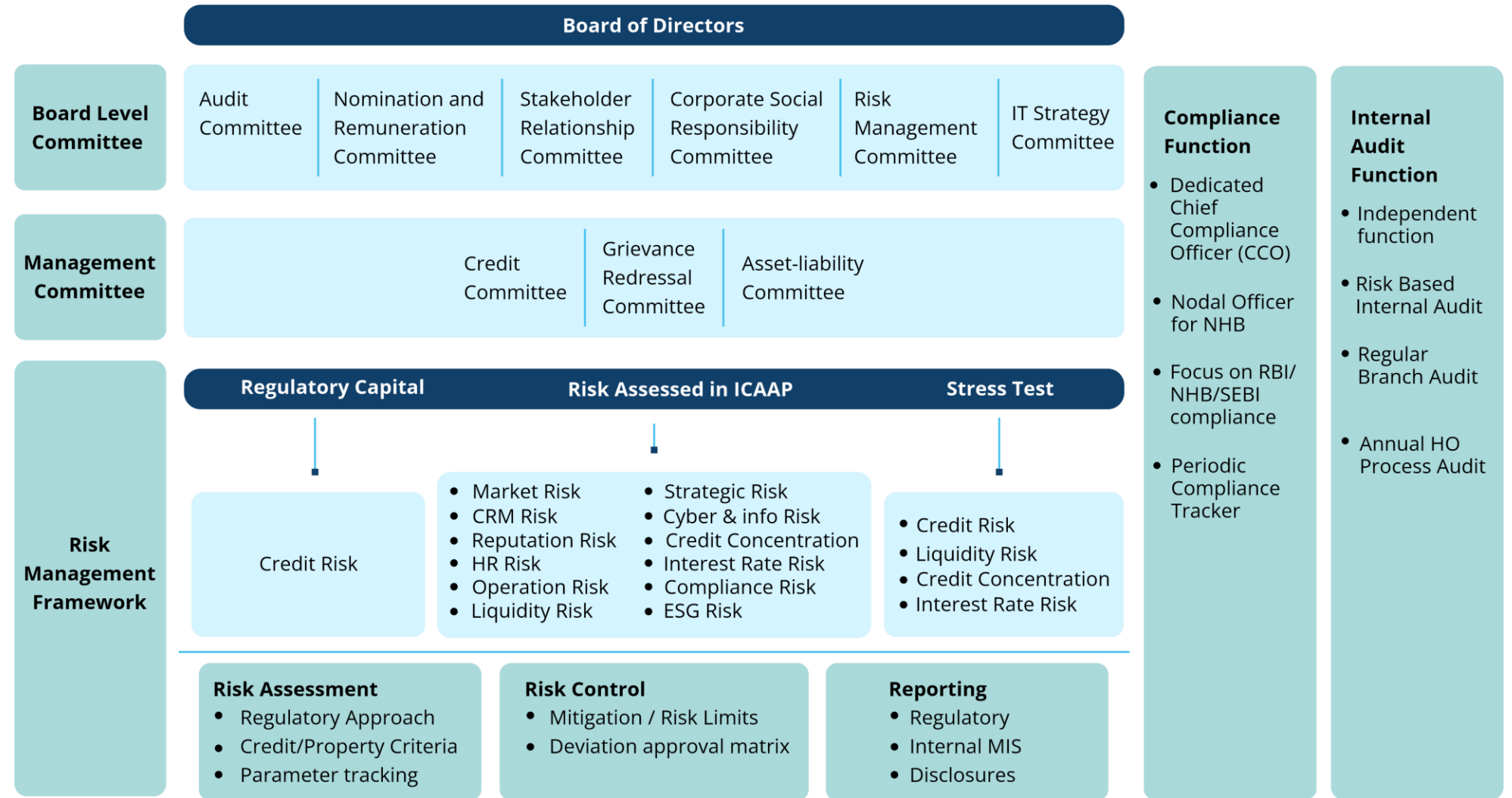
Top-tier Corporate Governance

- High Independent Directors representation in all Board Committees
- Highly experience Board & Management Team on Risk Management committee.
- Company's risk management framework is driven by its Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee.
- “Risk Management Committee” meetings on matters including Operational, Risk oversight, fraud prevention and control.

Clean Track Record

- **NO** Defaults.
- **NO** Auditor qualification.
- **NO** Re-statements of financials.
- **NO** Allegations of financial imprudence.
- **Implemented 3 ESOP plans.**

Corporate Governance Structure

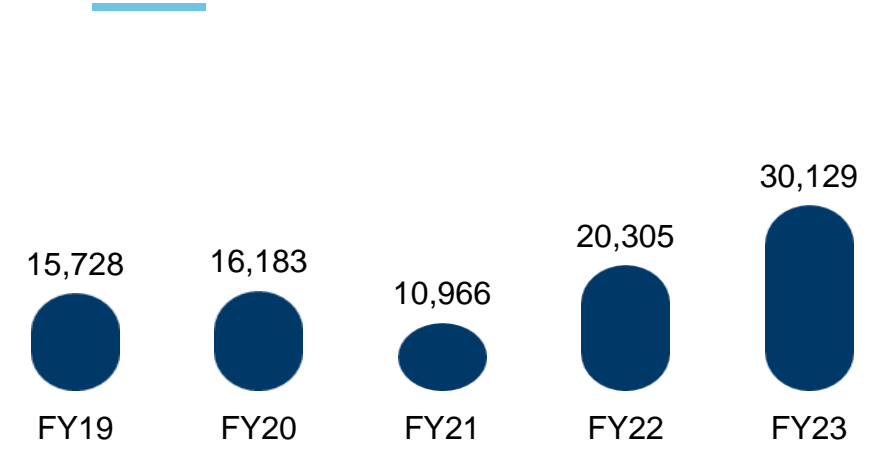


Business Updates

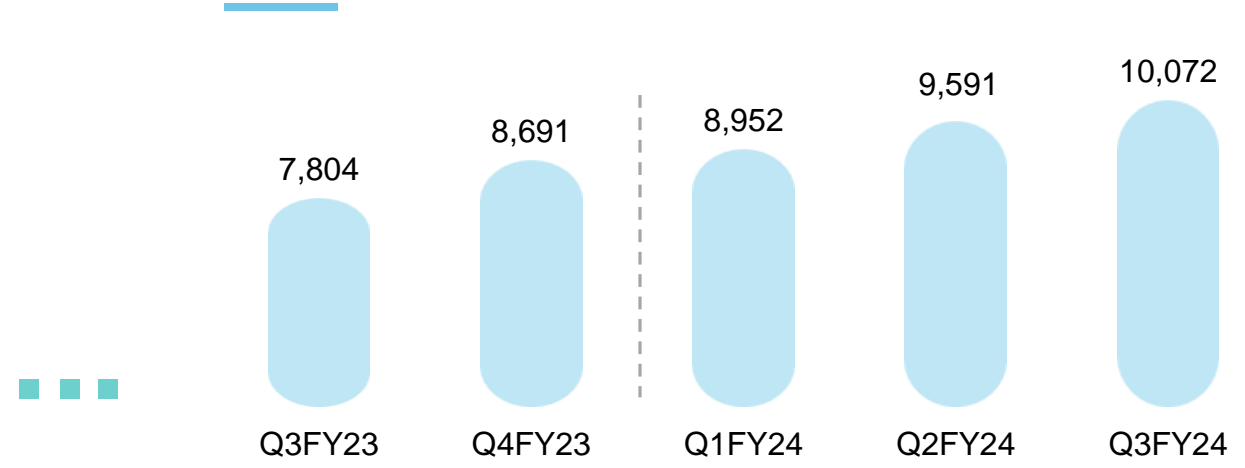
Healthy Growth in Loan Book and Disbursements

Disbursement (₹Mn)

Last 5 Years



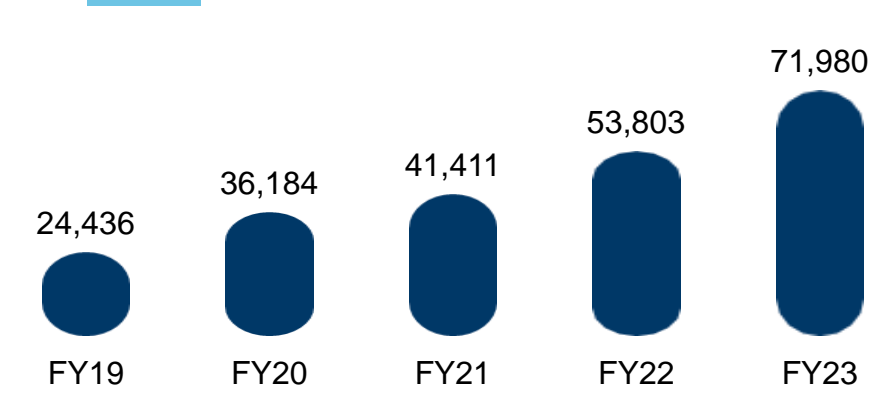
Last 5 Quarters



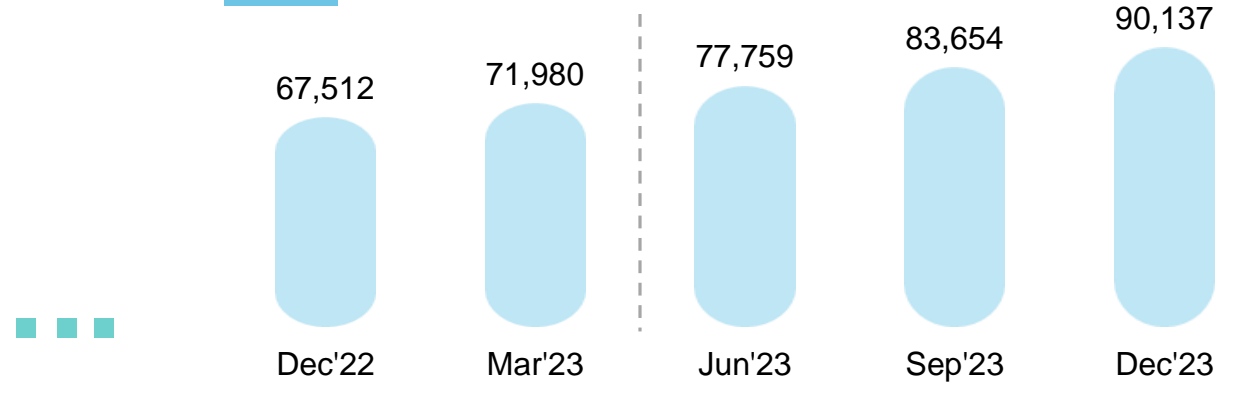
Crossed Rs 1000 Cr Disbursement Milestone for first time.
Q-o-q growth of 5.0% and y-o-y growth of 29.1%

Assets Under Management (₹Mn)

Last 5 Years

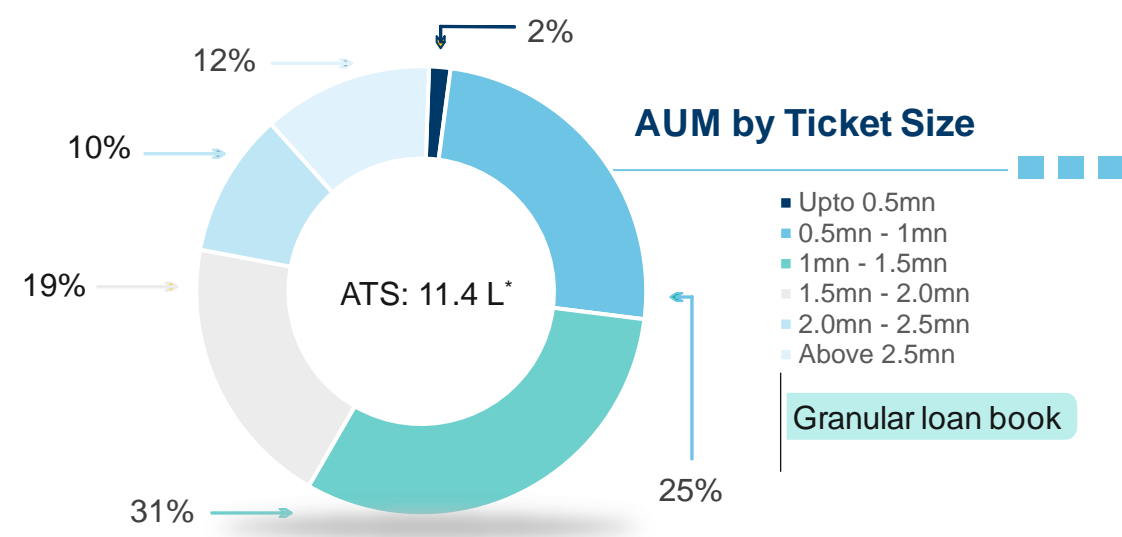
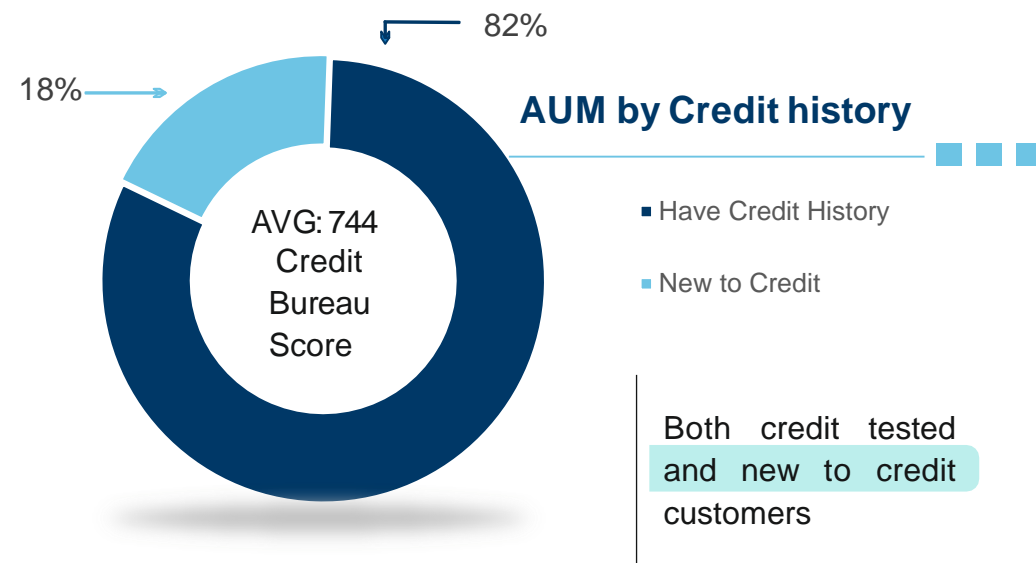
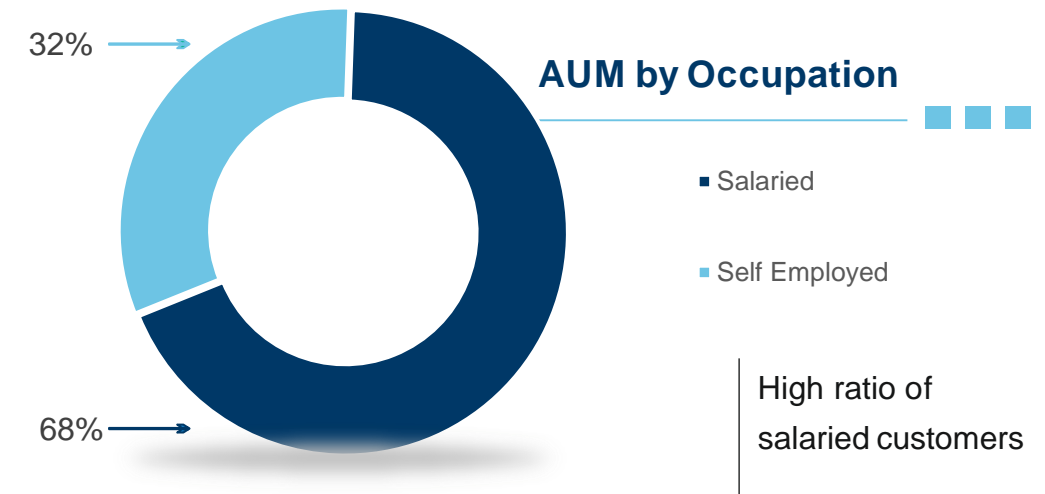
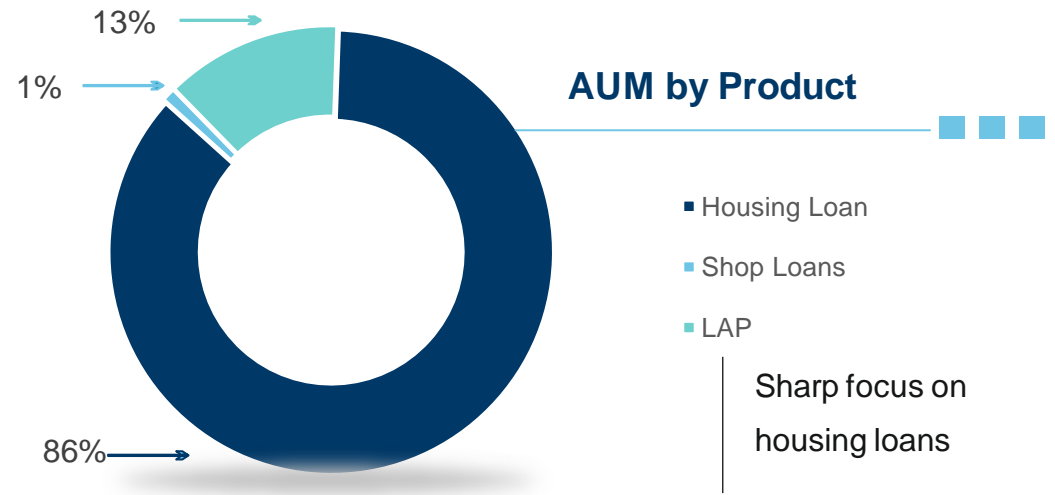


Last 5 Quarters



33.5% growth y-o-y
7.7% growth q-o-q
31% CAGR (4 Years FY19-FY23)
7.5% BT Out rate for Q3FY24 (annualized)

Consistent Portfolio Matrix | Dec'23



All figures as of Dec'23

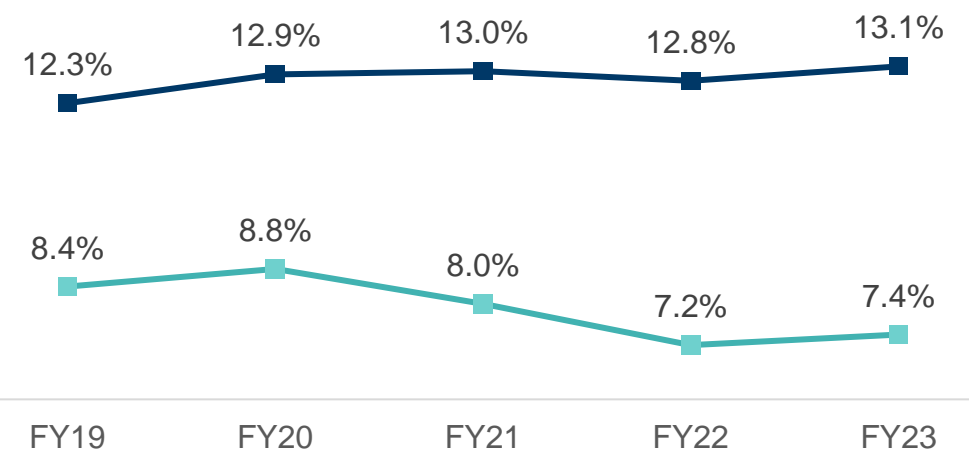
* Loans originated for Co-Lending are excluded while computing ATS

Competitive Spreads

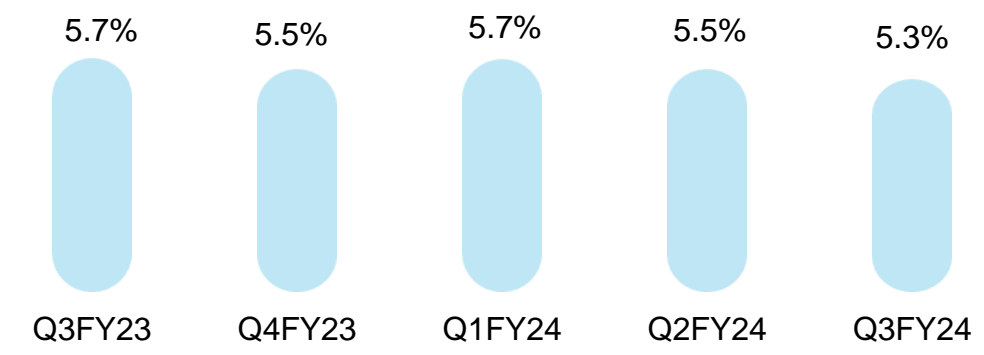
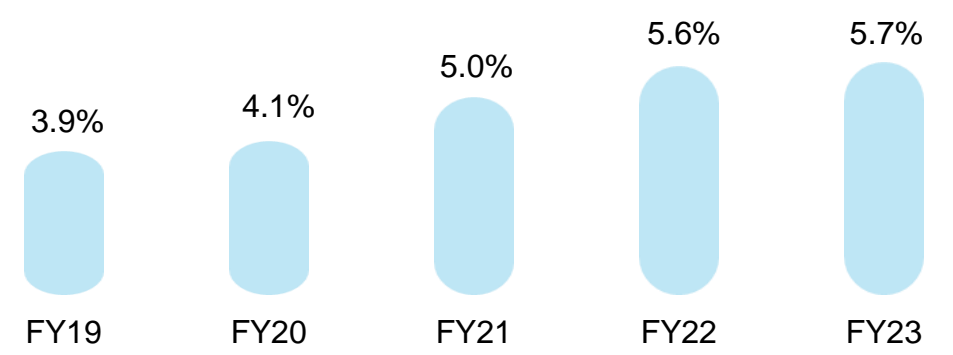
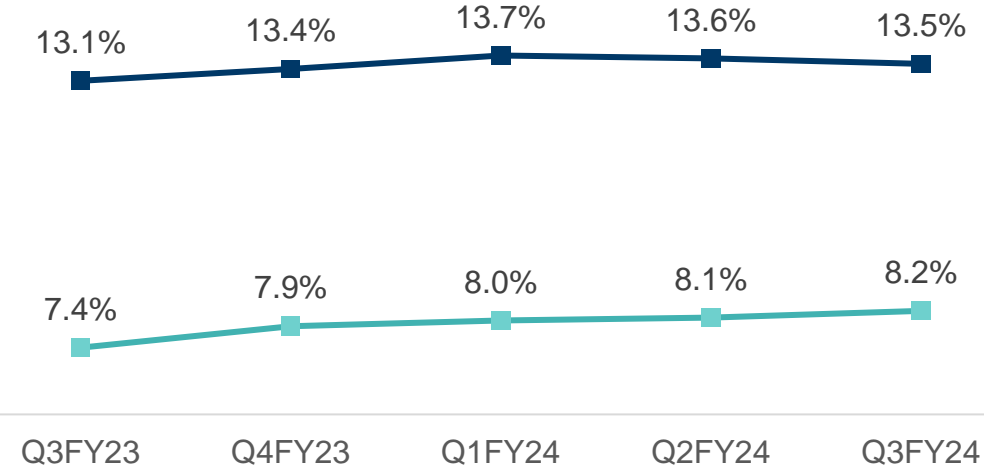
- Portfolio Yield
- COB
- Spread

Net Interest Spread Movement

Last 5 Years



Last 5 Quarters



Repricing schedule
 25bps w.e.f 1st Jul'22
 50bps w.e.f 1st Dec'22
 50bps w.e.f 1st Apr'23

Competitive Cost of Borrowing

Origination yield for Q3FY24 stood at 13.7%*
 Marginal COB for Q3FY24
 Overall : 8.4%
 Ex NHB : 8.7%

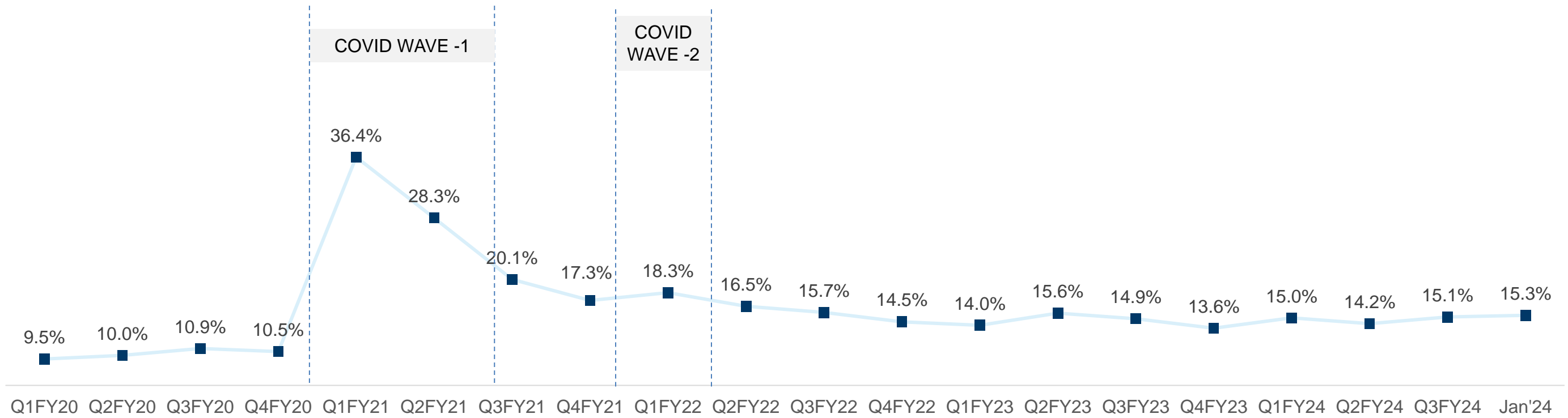
* Loans originated for Co-Lending are excluded while computing Incremental Yield for Q3FY24

Healthy Leading Indicators

Bounce rate : On the day of EMI presentation

■ Bounce rate

Bounce rates are range-bound

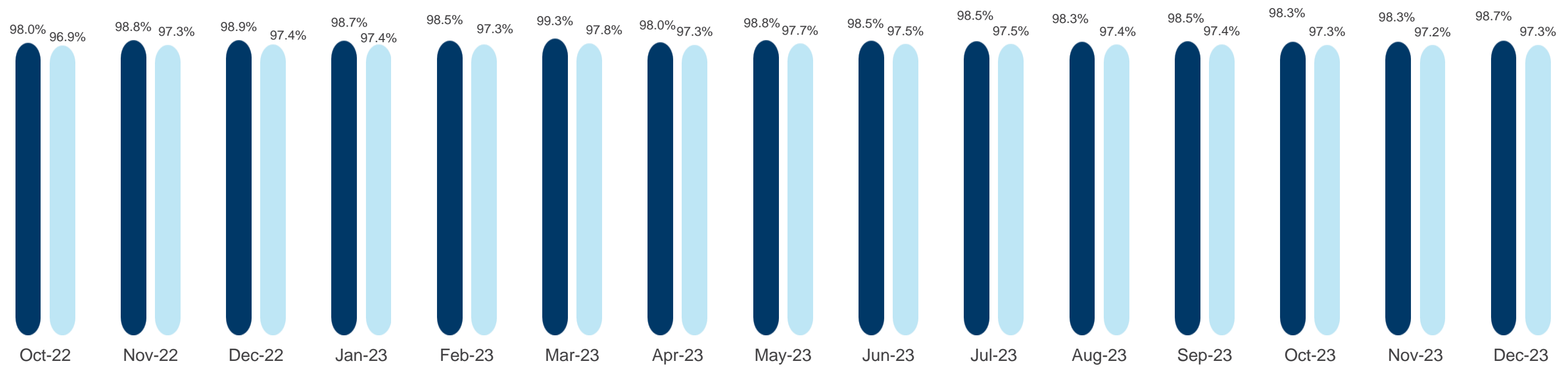


Healthy Leading Indicators

Collection Efficiency

- Collection Efficiency ⁽¹⁾
- Unique Customers ⁽²⁾

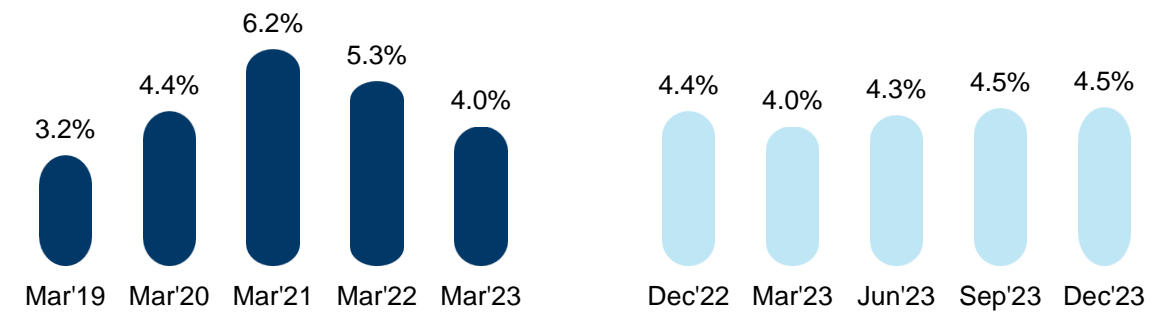
Collection efficiency at normal levels



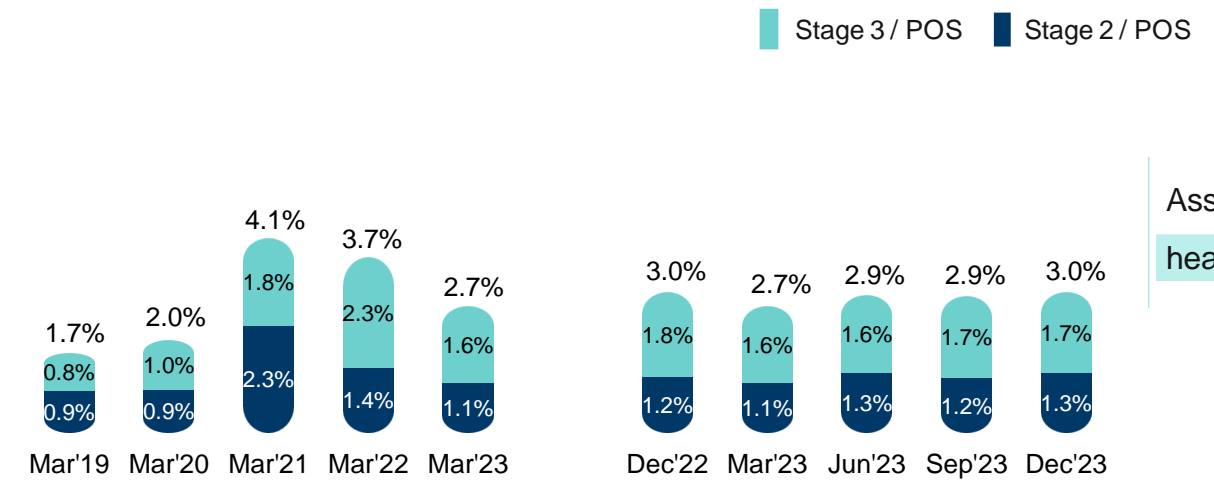
Note: (1) Collection Efficiency = Total # of EMIs received in the month (including arrears of previous months) / Total # of loan accounts whose EMIs are due in the month
 (2) Unique customers = # of customers who made at least one payment in the month / Total # of Customers whose EMIs are due in the month

Sound Credit Indicators

DPD 1+ / POS

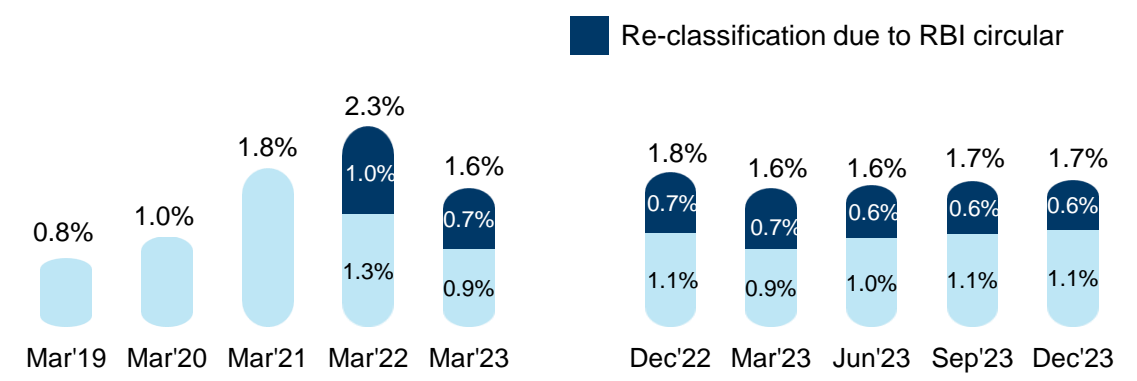


DPD 30+ / POS %

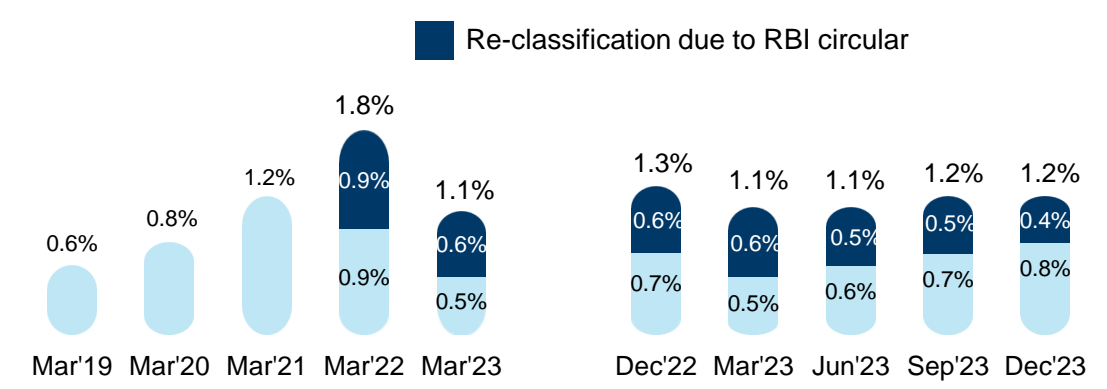


Asset quality at healthy levels

Gross Stage 3 / POS (GNPA) %



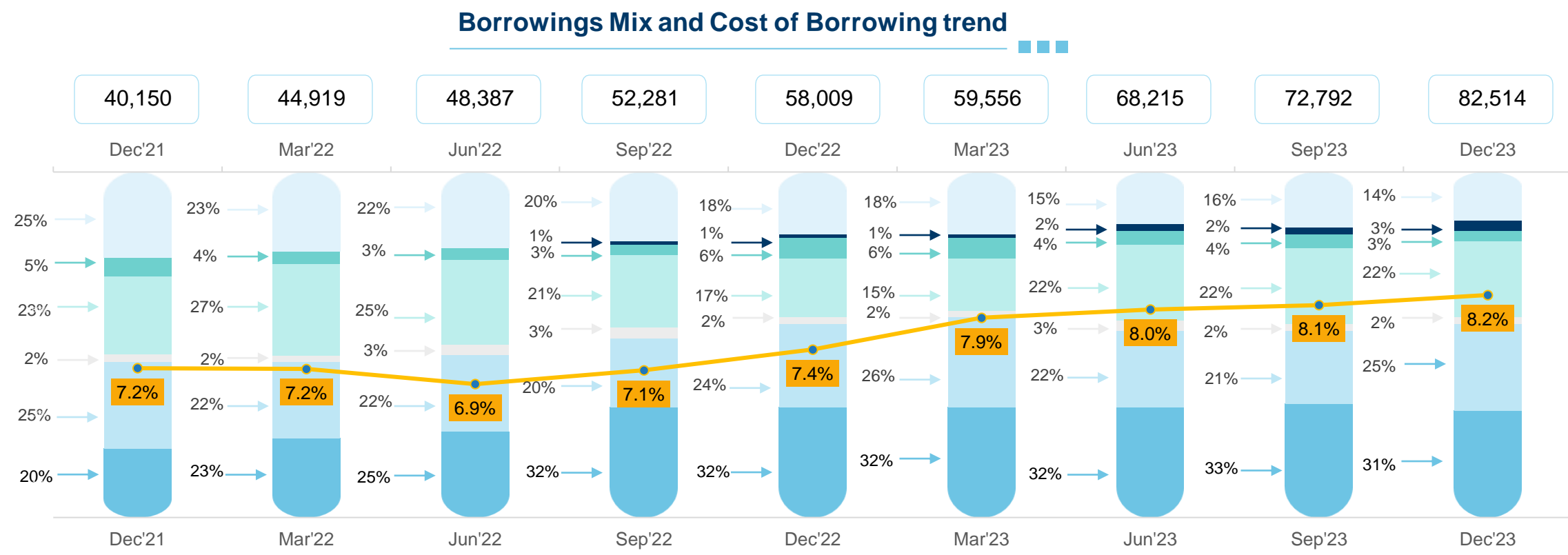
Net Stage 3 / Net POS (NNPA) %



Pursuant to the RBI circular dated 12 Nov 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company has aligned its definition of default and taken steps to comply with the norms/ changes for regulatory reporting, as applicable. Such alignment has resulted in classification of loans amounting to ₹435.52 millions as Gross Stage 3 (GNPA) as at Dec'23 in accordance with regulatory requirements.

Diversified funding profile at competitive Cost of Borrowing

- DA
- Co-Lending
- NCD
- NHB Refinance
- NBFC
- Public Sector Banks
- Pvt Sector Banks
- COB% (Represents quarterly avg.)



Total Borrowings (₹Mn) ⁽¹⁾

Long Term Credit Rating
ICRA AA- 'Stable'
CARE AA- 'Stable'
India Ratings AA- 'Stable'

Short term rating
A1+ (ICRA and India Ratings)

ZERO borrowing through commercial papers

Our banking relationships

Public Sector Bank	State Bank of India	Central Bank of India	Union Bank	UCO Bank	Private Sector Bank	HDFC Bank	ICICI Bank	Axis Bank	South Indian Bank	Karnataka Bank	J & K Bank	Karur Vyas Bank	DCB Bank	NBFC	Bajaj Finance
	IDBI Bank	Bank of India	Indian Bank			Federal Bank	Kotak Mahindra Bank	HSBC	Qatar National Bank	Yes Bank	Shinhan Bank	CSB Bank	IndusInd Bank		

Validation by NHB - Single largest lender with ₹ 17,629.7 Mn outstanding 20+ lines
 ₹ 2,800 Mn NCD investment by IFC – a step towards sustainability and green financing

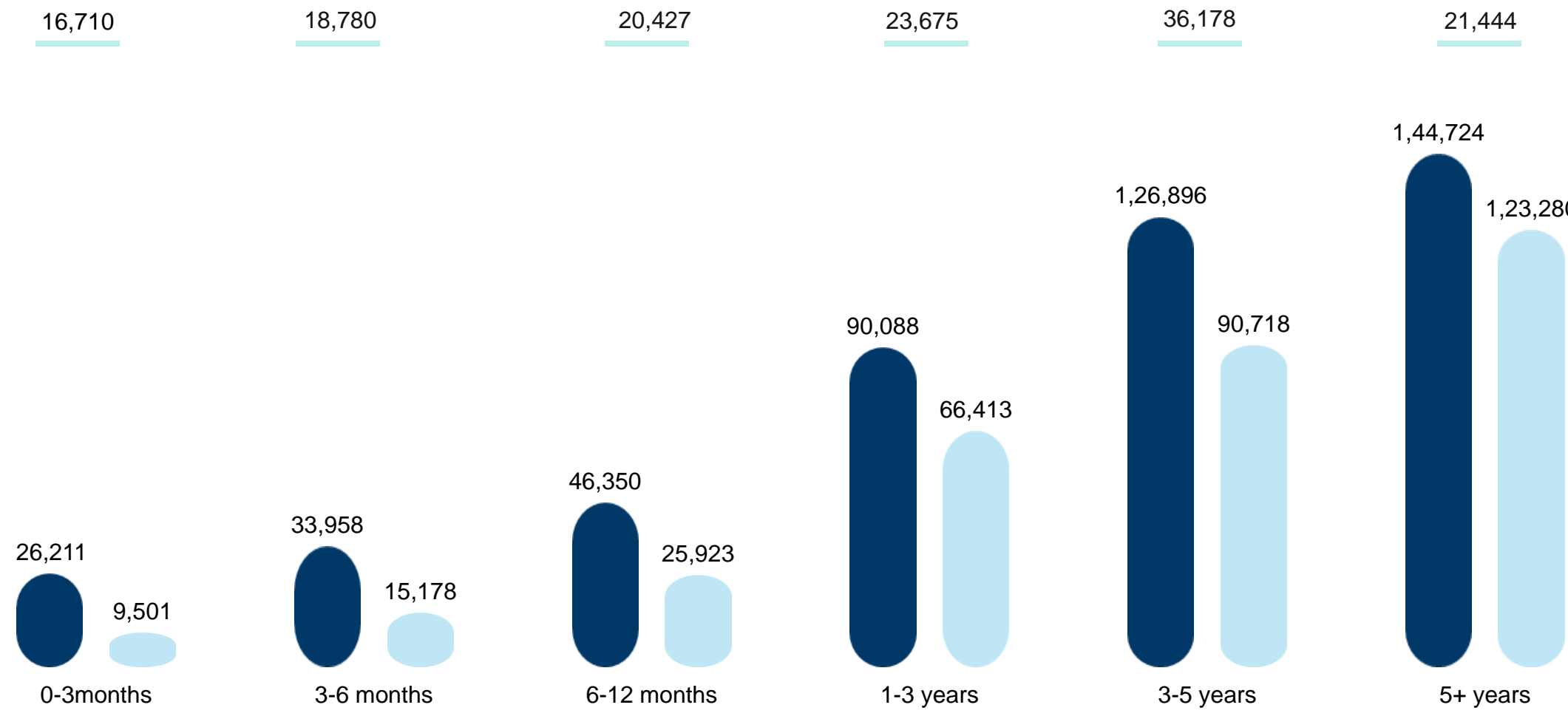
Diversified banking relationships with 29 lending partners

(1) Total Borrowings includes Off book Direct Assignment and Co-Lending

ALM Position as of Dec'23 - Cumulative

Inflow Outflow

Surplus (₹Mn)



Robust ALM profile ensuring sufficient liquidity buffers

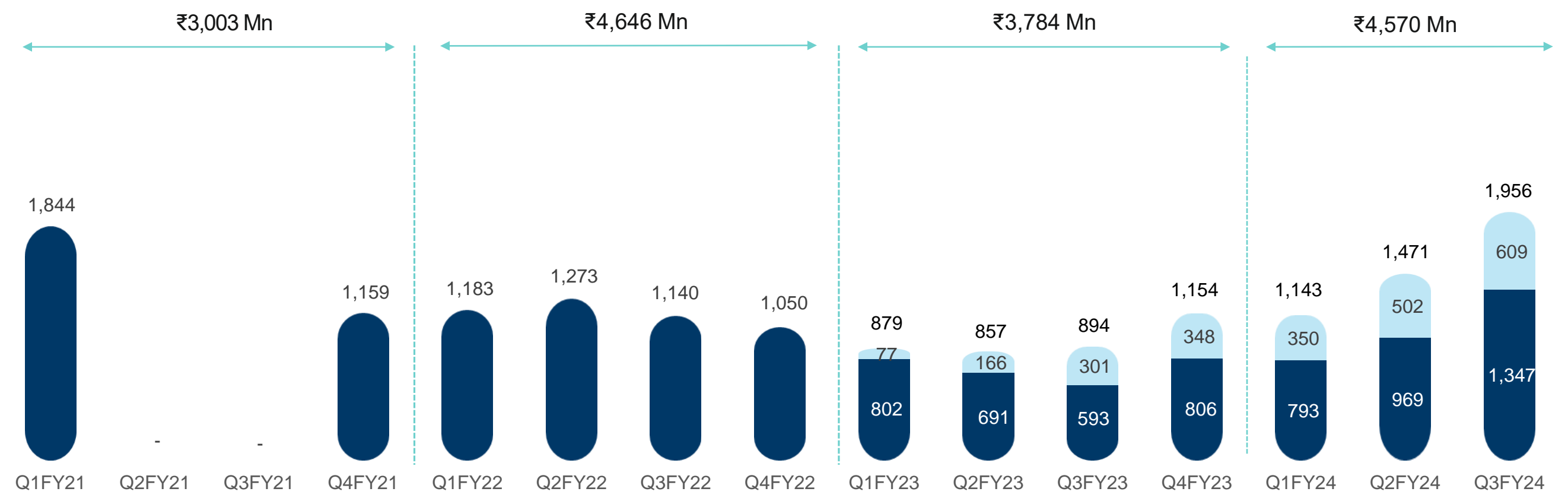
Cumulative Positive flows across all the time buckets

Classification of assets and liabilities under different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the detailed ALM return submitted to NHB.

Assignment and Co-lending Transactions

Direct Assignment Transactions

Co-Lending Transaction



Consistent demand for assignment of the company's portfolio

Generated business from co-lending transactions

Our partners in Assignment and Co-Lending

Direct Assignment	Co-Lending
Central Bank of India	Central Bank of India
HDFC Bank	Union Bank of India
State Bank of India	
Bank of Baroda	
Bajaj Housing Finance	
Indian Bank	
Yes Bank	
Union Bank of India	

Strong Liquidity Position

Liquidity Buffer as on Dec'23 (in ₹Mn)

Unencumbered Cash and Cash equivalent	12,231
Un-availed Sanction from NHB	2,500
Un-availed Sanction from Banks	9,949
Total	24,680

Particulars (in ₹Mn)	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Opening Liquidity	24,680	25,807	26,884	27,517
Add: Principal Collections & Surplus Operations	5,866	5,847	5,722	5,620
Less: Debt Repayments	4,739	4,770	5,089	5,027
Closing Liquidity	25,807	26,884	27,517	28,110

₹ 6,020 million

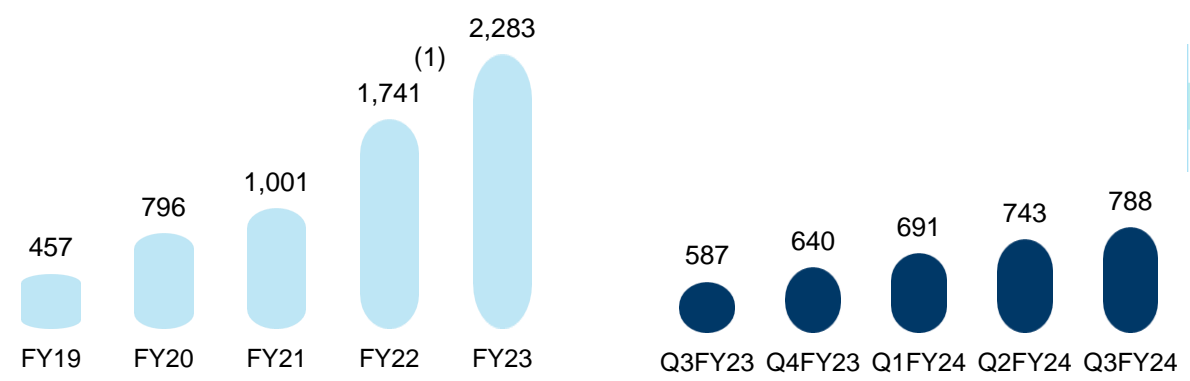
Liquidity raised during Q3FY24

Data as per IGAAP

Financial Updates

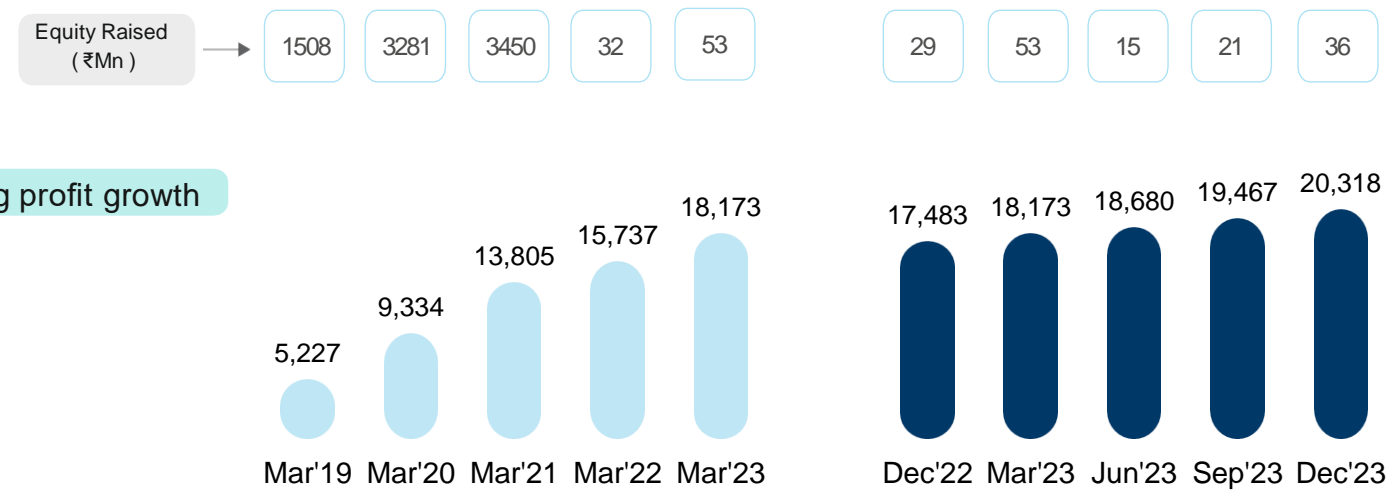
Financial Highlights

Profit After Tax (₹Mn)



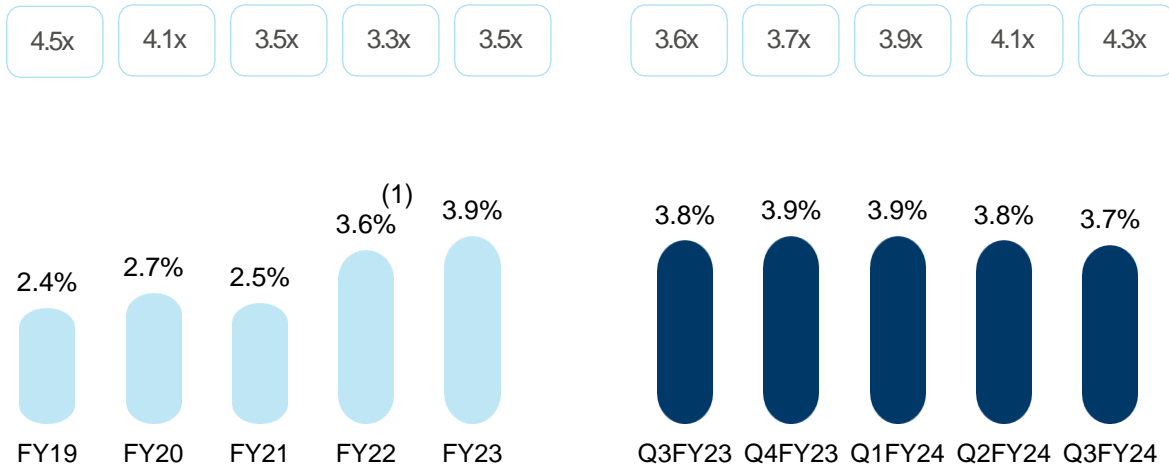
Strong profit growth

Net worth (₹Mn)

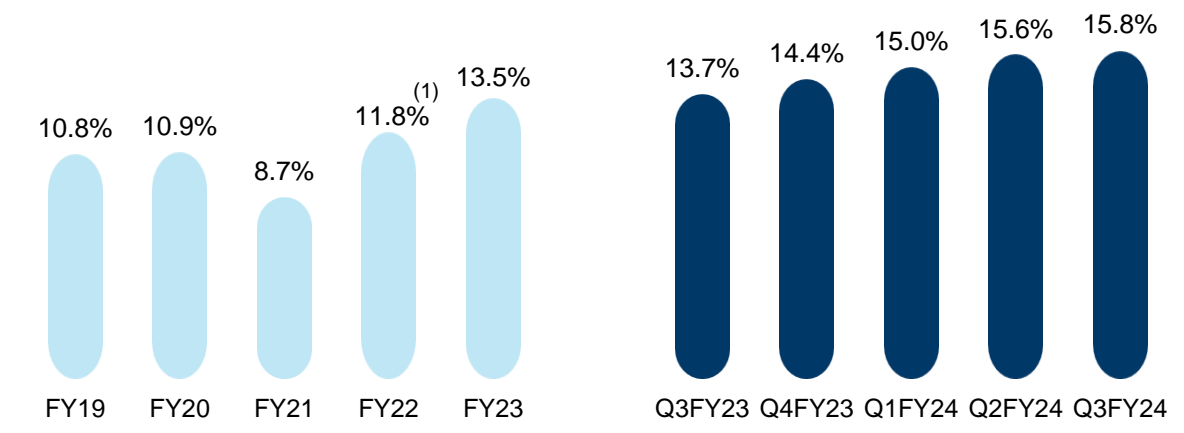


Robust NW to support growth

Return on Average Assets



Return on Average Equity



Note: Fiscal year ending 31st March. A/E – Average Total Assets / Average Equity.
 (1) Adjusted PAT, Adjusted RoA and Adjusted RoE FY22 is computed considering Adjusted PAT without the impact of one-time deferred tax liability adjustment

ECL Provisions Summary

Particulars (in ₹Mn)	Stage 1	Stage 2	Stage 3	Loan Commitment	Total
For period ended Dec'23					
Loans – Principal Outstanding	73,863.5	983.6	1,295.3		76,142.4
ECL Provision	200.2	76.3	387.5	14.9	678.9
Net Loans – Principal Outstanding	73,663.3	907.3	907.8		75,463.5
ECL Provision %	0.3%	7.8%	29.9%		0.9%
For period ended Sep'23					
Loans – Principal Outstanding	68,819.7	831.9	1,233.4		70,885.0
ECL Provision	186.3	71.2	374.2	13.8	645.5
Net Loans – Principal Outstanding	68,633.4	760.7	859.2		70,239.5
ECL Provision %	0.3%	8.6%	30.3%		0.9%
For period ended Dec'22					
Loans – Principal Outstanding	54,803.7	669.4	1,007.9		56,481.0
ECL Provision	156.7	76.3	293.1	13.8	539.9
Net Loans – Principal Outstanding	54,647.0	593.1	714.8		55,941.1
ECL Provision %	0.3%	11.4%	29.1%		1.0%

Total Provision Coverage Ratio		
Dec'23	52.4%	(79.0% Pre-RBI circular)
Sep'23	52.3%	(84.6% Pre-RBI circular)
Dec'22	53.6%	(87.4% Pre-RBI circular)

Pursuant to the RBI circular dated 12 Nov 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company has aligned its definition of default and taken steps to comply with the norms/ changes for regulatory reporting, as applicable. Such alignment has resulted in classification of loans amounting to ₹435.52 millions as non-performing assets (Stage 3) as at 31 Dec 2023 in accordance with regulatory requirements.

Annexures



Quarterly and Annual Profit and Loss Statement

Particulars (in ₹Mn)	Q3FY24	Q2FY24	Q3FY23	QoQ	YoY
Interest Income on term loans	2,508.9	2,347.8	1,800.7	6.9%	39.3%
Net gain on DA	206.3	151.4	76.0		
Income other than interest income on term loans ⁽¹⁾	294.9	280.7	178.7		
Total Income	3,010.1	2,779.9	2,055.4	8.3%	46.4%
Interest expense	1,299.0	1,167.4	793.0		
Net Interest Income	1,209.9	1,180.4	1,007.7	2.5%	20.1%
Net Total Income	1,711.1	1,612.5	1,262.4	6.1%	35.5%
Operating Expenses ⁽²⁾	613.6	568.1	445.1		
PPOP	1,097.5	1,044.4	817.3	5.1%	34.3%
Credit Cost	70.1	80.0	59.9		
Profit before tax	1,027.4	964.4	757.4	6.5%	35.6%
Tax expense	239.2	221.3	170.0		
One-time tax adjustment					
Profit after tax	788.2	743.1	587.4		
Adjusted PAT⁽³⁾	788.2	743.1	587.4	6.1%	34.2%
Basic EPS	8.9	8.4	6.7		
Diluted EPS	8.7	8.2	6.5		

FY23	FY22	YoY
6,825.0	4,770.5	43.1%
380.4	678.4	
750.6	508.2	
7,956.0	5,957.1	33.6%
3,032.6	2,148.2	41.2%
3,792.4	2,622.3	44.6%
4,923.4	3,808.9	29.3%
1,756.0	1,295.7	
3,167.4	2,513.2	26.0%
215.2	250.2	
2,952.2	2,263.0	30.5%
669.3	522.1	
	(120.1)	
2,282.9	1,861.0	
2,282.9	1,740.8	31.1%
26.0	21.3	
25.2	20.5	

(1) Income other than interest income on term loans includes interest on bank deposits, other interest income, fees and commission income, other operating income and other income

(2) Operating Expenses is the sum of Employee Benefits Expenses, Depreciation and Amortization, Interest on lease liability, Bank charges and other Expenses for the relevant year or period as per the financial statements.

(3) YoY growth in PAT computed considering Adjusted PAT for FY22 without the impact of one-time deferred tax liability adjustment

Investors & Analyst can download the excel version of operational & financial numbers from our website [link](#).

RoE Tree

Particulars	Q3FY24	Q2FY24	Q3FY23	FY23	FY22
Interest Income on term loans / Average total assets	11.8%	12.0%	11.5%	11.5%	9.9%
Net Gain on DA / Average total Assets	1.0%	0.8%	0.5%	0.6%	1.4%
Income other than interest income on term loans/ Average total assets	1.3%	1.4%	1.1%	1.3%	1.1%
Total Income / Average total assets	14.1%	14.2%	13.1%	13.4%	12.4%
Interest on borrowings and debt securities / Average total assets	6.1%	6.0%	5.1%	5.1%	4.5%
Net Interest Margin	5.7%	6.0%	6.4%	6.4%	5.4%
Net Total Income / Average total assets	8.0%	8.2%	8.0%	8.3%	7.9%
Operating Expenses / Average total assets	2.9%	2.9%	2.8%	3.0%	2.7%
PPOP/ Average total assets	5.1%	5.3%	5.2%	5.3%	5.2%
Credit Cost / Average total assets	0.3%	0.4%	0.4%	0.3%	0.5%
Profit before tax / Average total assets	4.8%	4.9%	4.8%	5.0%	4.7%
Tax expense / Average total assets	1.1%	1.1%	1.0%	1.1%	1.1%
One-time tax adjustment/ Average total assets					(0.2%)
Profit after tax on average total assets	3.7%	3.8%	3.8%	3.9%	3.9%
Adjusted PAT on average total assets (ROA)⁽¹⁾	3.7%	3.8%	3.8%	3.9%	3.6%
Leverage (Average total assets / average Equity or average Net worth)	4.3	4.1	3.6	3.5	3.3
Profit after tax on average equity or average Net worth (ROE)⁽¹⁾	15.8%	15.6%	13.7%	13.5%	11.8%
Average interest earning assets as % of average total assets	86.2%	87.3%	86.7%	87.8%	80.2%
Average interest bearing liabilities as % of average total assets	75.4%	74.3%	70.8%	69.8%	67.7%

Interest Earning Assets represents Loans – Principal outstanding (Gross) for the relevant year or period. Interest bearing liabilities represents borrowings (including debt securities) for the relevant year or period.

(1) Adjusted RoA and Adjusted RoE for FY22 is computed considering Adjusted PAT FY22 without the impact of one-time deferred tax liability adjustment

Key Financial Ratios

Particulars	Q3FY24	Q2FY24	Q3FY23	FY23	FY22
Profit after tax on average total assets (ROA)	3.7%	3.8%	3.8%	3.9%	3.6% ⁽¹⁾
Leverage (Average total assets / average Equity or average Net worth)	4.3	4.1	3.6	3.5	3.3
Profit after tax on average equity or average Net worth (ROE)	15.8%	15.6%	13.7%	13.5%	11.8% ⁽¹⁾
Cost to Income Ratio (Operating Expenses / Net Total Income)	35.9%	35.2%	35.3%	35.7%	34.0%
Operating Expenses / Average total assets	2.9%	2.9%	2.8%	3.0%	2.7%
Debt to equity ratio	3.4	3.1	2.7	2.6	2.2
CRAR (%) ⁽²⁾	40.9%	45.5%	49.6%	49.4%	58.6%
CRAR - Tier I Capital	40.5%	45.0%	49.1%	48.9%	58.0%
CRAR - Tier II Capital	0.4%	0.5%	0.5%	0.5%	0.6%
Book Value Per Share	230.0	220.8	199.0	206.5	179.6

(1) Adjusted RoA and Adjusted RoE for FY22 is computed considering Adjusted PAT without the impact of one-time deferred tax liability adjustment

(2) Applicability of the RBI circular dated 16th Nov'23 on 'Regulatory measures towards consumer credit and bank credit' is under evaluation

Balance Sheet

Particulars (in ₹Mn)	Dec'23	FY23	FY22
ASSETS			
Cash & cash equivalents and Other bank balance	5,528.7	2,984.1	6,678.5
Loans	75,478.5	59,957.0	43,048.7
Investments	7,140.9	2,808.0	0.0
Other financial assets	1,445.1	1,241.0	1,164.8
Property, plant and Equipment*	264.5	253.5	200.0
Deferred Tax Assets (Net)	34.1	28.3	0.0
Non-financial assets other than PPE	149.7	117.7	86.2
TOTAL ASSETS	90,041.5	67,389.6	51,178.2
LIABILITIES & EQUITY			
Payables	138.4	149.1	62.0
Debt Securities	2,773.9	3,469.5	1,687.8
Borrowings	65,688.7	44,665.2	32,979.9
Other financial liabilities	934.4	754.5	569.1
Provisions	88.6	59.6	45.4
Deferred Tax Liabilities (Net)	0.0	0.0	17.4
Other non-financial liabilities	99.5	118.3	79.7
Equity	20,318.0	18,173.4	15,736.9
TOTAL LIABILITIES & EQUITY	90,041.5	67,389.6	51,178.2

* Including right to use assets.

Consistent Financial Performance over the years

Particulars (in ₹Mn)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	CAGR %
Operational Information								
Number of Branches	36	42	60	68	72	80	111	
Loan disburseals	4,244	7,455	15,728	16,183	10,966	20,305	30,129	
AUM	8,473	13,559	24,436	36,184	41,411	53,803	71,980	42.8%
Number of Employees	200	382	675	696	687	851	993	
Financial Information								
Income from Operations	916	1,326	2,637	4,108	4,891	5,957	7,910	
Interest Expenses	533	647	1,249	1,912	2,166	2,148	3,033	
Net Interest Income	319	627	1,040	1,513	1,895	2,622	3,792	
Operating Expenses ⁽¹⁾	262	424	735	1,046	1,064	1,296	1,756	
Credit Cost	17	29	73	165	322	250	215	
Profit before tax	104	243	653	1,073	1,340	2,263	2,952	
Adjusted PAT⁽²⁾	67	160	457	796	1,001	1,741	2,283	80.2%
Net Worth	3,064	3,252	5,227	9,334	13,805	15,737	18,173	
Ratios								
Cost to Income	68.4%	61.0%	50.3%	45.8%	39.0%	34.0%	35.7%	
Return on Total Assets ⁽²⁾	0.8%	1.4%	2.4%	2.7%	2.5%	3.6%	3.9%	
Return on Equity ⁽²⁾	2.9%	5.1%	10.8%	10.9%	8.7%	11.8%	13.5%	
Gross Stage 3 assets / Gross NPA	0.7%	0.6%	0.8%	1.0%	1.8%	2.3%	1.6%	
Net Stage 3 assets / Net NPA	0.6%	0.5%	0.6%	0.8%	1.2%	1.8%	1.1%	
CRAR	68.5%	43.0%	38.5%	49.0%	56.2%	58.6%	49.4%	
Leverage	3.4	3.7	4.5	4.1	3.5	3.3	3.5	

(1) Operating Expenses is the sum of Employee Benefits Expenses, Depreciation and Amortization, Interest on lease liability, Bank charges and other Expenses for the relevant year or period as per the financial statements.

(2) In FY22, company had reversed DTL created on amount transferred to special reserve. Adjusted PAT, ROA and ROE computed excluding the impact of one time deferred tax liability adjustment.

Experienced and Diverse Board

Mr. Deepak Satwalekar

Chairman/ Independent/ Non-Executive Director

Mr. Deepak Satwalekar was associated with HDFC Limited as a Director and HDFC Standard Life Insurance Company Limited as the MD & CEO. Currently he is associated with Asian Paints Limited and Wipro Limited as an Independent Director. He has also been recognized as a distinguished alumnus by the Indian Institute of Technology, Bombay. He holds a bachelor's degree in mechanical engineering from Indian Institute of Technology, Bombay and a master's degree in business administration from the American University. Appointed as an Independent Director w.e.f. October 23, 2019

Ms. Geeta Dutta Goel

Independent/ Non-Executive Director

Ms. Geeta Dutta Goel is Country Director for Michael and Susan Dell Foundation in India. She manages the strategy and implementation of the foundation's work in India in two key areas of Education and Family Economic Stability. Geeta has served as the Chairperson of India's Impact Investors Council from 2017-2019, and has been on several taskforces on Responsible Finance with the World Bank's Consultative Group to Alleviate Poverty. Geeta holds a bachelor's degree in economics from Lady Shri Ram College for Women, University of Delhi and a post graduate diploma in management from the IIM, Ahmedabad.

Mr. Anuj Srivastava

Independent/ Non-Executive Director

Mr. Anuj Srivastava is the co-founder and Chief Executive Officer of Livspace - a home interiors and renovation platform. Before setting up Livspace, Anuj was heading product marketing and growth at Google where he was responsible for building, launching and scaling products such as Google Wallet, Google AdSense, Google Local and Google Adwords. Anuj was also a lead on the integration team for Google's acquisition of DoubleClick. Anuj has completed his BTech at the IIT Kanpur and holds an MBA degree from London Business School.

Ms. Sucharita Mukherjee

Independent/ Non-Executive Director

Ms. Sucharita Mukherjee is co-founder of Kaleidofin, a neo-bank that provides financial solutions to underbanked customers in India. Prior to Kaleidofin, she co-founded IFMR Group and most recently was the group CEO of IFMR Holdings. She founded Northern Arc Capital, building capital markets access for financial inclusion and Northern Arc Investments, an alternatives fund management platform focused on informal sector finance. She is an alumnus of IIM Ahmedabad and holds an undergraduate degree in economics from Lady Shri Ram College, Delhi University. She has also worked with Deutsche Bank and Morgan Stanley in London.

Mr. Divya Sehgal

Nominee/ Non-Executive Director

Mr. Divya Sehgal is a Partner at True North and leads their investments in the Financial Services industry. Divya holds a Bachelor's degree in Electrical Engineering from IIT, Delhi and holds a Post Graduate Diploma in Management from IIM, Bengaluru. Prior to joining True North, he was Founder and COO of Apollo Health Street, a leading healthcare outsourcing firm and one of the top five in its space globally. Before that he worked as a consultant with McKinsey, with the corporate finance team at ANZ and as an entrepreneur at Emedlife which eventually merged with the Apollo Group.

Mr. Maninder Singh Juneja

Nominee/ Non-Executive Director

Mr. Maninder Singh Juneja is an MBA from IIM Lucknow, Maninder has over 27 years experience across industries. Prior to True North, Maninder was the Group Head for ICICI Bank's Retail Banking group, covering Strategy, Products, Small Business Loans, Branch Banking and distribution channels. He was also leading the bank's various efforts in the area of payments and service innovations, many of which are industry firsts. He started his career with Godrej and has worked with Godrej GE Appliances and GE Transportation financial services.

Mr. Narendra Ostawal

Nominee/ Non-Executive Director

Mr. Narendra Ostawal joined Warburg Pincus in 2007 and is currently designated as Managing Director for healthcare and financial services. Prior to joining Warburg Pincus, Mr. Ostawal has worked with 3i India and McKinsey & Company. He is a Director of Avanse Financial Services Limited, Carmel Point Investments India Private Limited, Computer Age Management Services Limited, Fusion Micro Finance Private Limited and IndiaFirst Life Insurance Company Limited. Mr. Ostawal is a Chartered Accountant and an MBA from IIM, Bangalore.

Mr. Manoj Viswanathan

Managing Director and CEO

Mr. Manoj Viswanathan holds a Bachelor's degree in Electrical & Electronics Engineering from BITS, Pilani and an MBA from XLRI Jamshedpur. He possesses experience of more than 25 years in consumer lending, encompassing sectors such as automobile loans, mortgages, and unsecured lending. He is considered to have played an important role in building the branch-based consumer-lending model for Citigroup in India. He is the Managing Director and CEO of Home First Finance Company.

Thank You

For further information, please contact

Company

CIN: L65990MH2010PLC240703

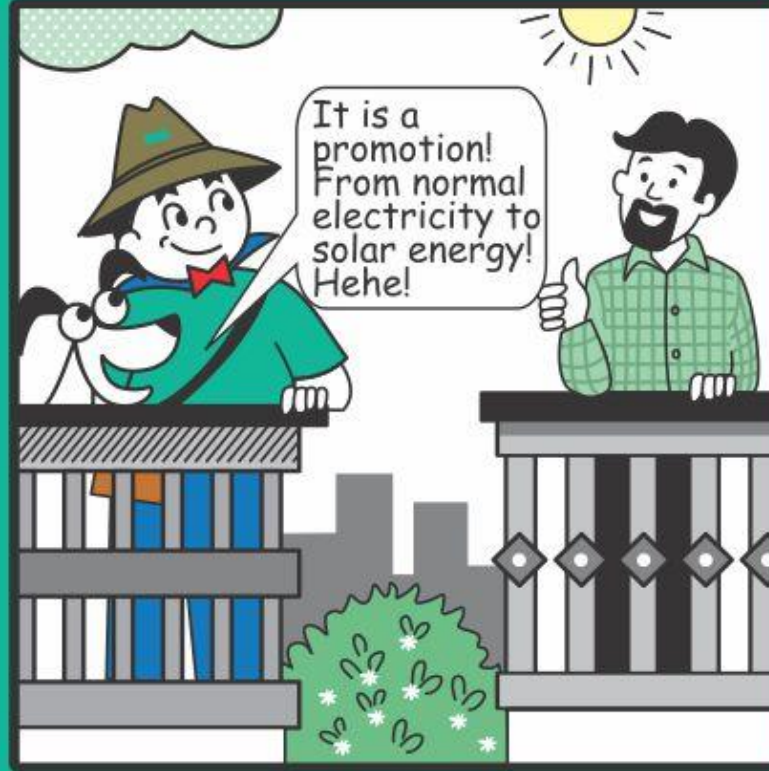
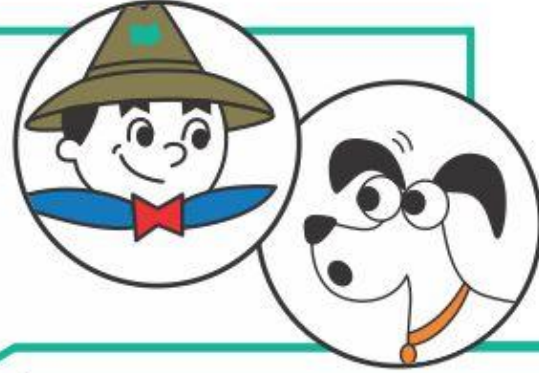
✉ Mr. Manish Kayal, Head - Investor Relations
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Terms	Explanation
AUM - Assets Under Management	Assets Under Management/Gross Loan Assets represents the aggregate of current principal outstanding and overdue principal outstanding, if any, for all loan assets under management which includes loan assets held by the Company as of the last day of the relevant year or period as well as loan assets which have been transferred by the Company by way of assignment and are outstanding as of the last day of the relevant year or period.
POS - Principal Outstanding	Loans – Principal outstanding represents gross principal outstanding of loans as of the last day of the relevant period or year as per the restated financial statements.
NII - Net Interest Income	Net Interest Income represents interest income on term loans minus Interest on borrowings and Interest on debt securities for the relevant year or period
NIMs - Net Interest Margin	Net Interest Income / Average total assets
DA - Direct Assignment / Assigned Assets	Assigned Assets represents the aggregate of current principal outstanding and overdue principal outstanding, if any, for all loan assets which have been transferred by the Company by way of assignment as of the last day of the relevant year or period. The Assigned Assets represent the direct assignments and not pass through certificate.
DPD - Days Past Due	
DPD 30+	DPD 30+ represents sum of Stage 2 loan assets and Stage 3 loan assets at the end of the relevant year or period
Gross Stage 3 / POS %	% Stage 3 loan assets / Loans - Principal Outstanding
Opex to Assets	Operating Expenses / Average Total Assets
Cost to Income	Operating Expenses / Net Total Income

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