

## Home First Finance Company India Limited

- Business momentum continues with highest ever quarterly disbursement of INR 780 Crs.
- AUM grows by ~35%<sup>(1)</sup> y-o-y to reach INR 6751 Crs in Dec'22.
- Asset quality continues to improve with Industry Leading 30+ DPD at 3.0% as on Dec'22.

Assets Under Management (AUM)<sup>(1)</sup>

₹ 67,512 Mn

+35.2%

+7.6%

Disbursement

₹7,804 Mn

+37.0%

+11.1%

Gross Stage 3 / POS (GNPA %)

1.8<sup>(2)</sup>

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

- 80 bps

- 10 bps

Profit After Tax (PAT)

₹587 Mn

+27.9%

+8.2%

y-o-y

q-o-q

Press Release: 24<sup>th</sup> Jan 2023, Mumbai.

### Key Performance Indicators for Q3 FY23

Particulars	Q3FY23	Q3FY22	y-o-y	Q2FY23	q-o-q
AUM (INR Crs)	6,751	4,994	+35.2% <sup>(1)</sup>	6,275	+7.6% <sup>(1)</sup>
Disbursement (INR Crs)	780	570	+37.0%	702	+11.1%
Total Income (INR Crs)	206	152	+35.5%	189	+8.5%
PAT (INR Crs)	59	46	+27.9%	54	+8.2%
Spread (%) <sup>(3)</sup>	5.7%	5.6%	+10 bps	5.8%	-10 bps
ROA (%)	3.8%	4.0%	-20 bps	3.8%	-0 bps
Gross Stage 3 (%)	1.8% <sup>(2)</sup>	2.6% <sup>(2)</sup>	-80 bps	1.9% <sup>(2)</sup>	-10 bps
Cost to Income (%)	35.3%	33.0%	+230 bps	37.4%	-210 bps

(1) Excluding PMAY CLSS subsidy, AUM growth y-o-y is 36.4% and q-o-q is 8.8%. (2) 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 ₹390.28 millions as Gross Stage 3 (GNPA) as at Dec'22 in accordance with regulatory requirements. Gross Stage 3 prior to such classification for Dec'22 is 1.1%. (3) IGAAP basis.

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

## Commenting on the performance Mr. Manoj Viswanathan, MD & CEO said,

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“We continue to expand distribution in large affordable housing markets in our existing states going deeper in a contiguous manner. We now do business across 261 touchpoints across Tier 1, Tier 2 and Tier 3 markets. These 261 touchpoints are serviced with a physical footprint with 102 branches across 13 states/ UT.

Q3FY23 also saw the momentum continuing on disbursements. We disbursed INR 780 Crs which grew by 37.0% on y-o-y basis and 11.1% on q-o-q basis, witnessed another high for HomeFirst. AUM at INR 6,751 Crs, grew by 35.2%\* on y-o-y and 7.6%\* on q-o-q basis.

We remain focused on early bucket collections and made have good progress in bringing down the 30+ DPD from 3.3% to 3.0% on q-o-q basis. Improvement in asset quality continues across all buckets. 1+ DPD improved from 4.7% to 4.4% on q-o-q basis. Our Gross Stage 3 (GNPA) as per RBI circular dated 12 Nov 2021, improved from 1.9% to 1.8% on q-o-q basis. Prior to such classification, it stands at 1.1% (Mar'22: 1.3%).

We also raised Rs 280 crores from International Finance Corp (IFC) through up to 7-year debt. The proceeds will be used to provide financing for retail buyers of affordable housing and green affordable housing units, encouraging home ownership for low-income segments, and supporting the development of green affordable housing. This further showcases our ability to diversify our funding sources as well as our commitment to green affordable housing as a key driver our ESG commitments.

We are also delighted to share that we are now rated “Low Risk” for ESG Risk Management by MorningStar Sustainability. This is a leading ESG rating across all companies in BFSI in India. [Link](#)

Digital adoption has further improved. Usage of the customer app for various activities has increased. 91% of our customers are registered on our app as on Dec'22 compared to 87% in Sep'22 and Unique User Logins is 55% for Q3FY23.

During Q3FY23, our PAT at INR 59 Crs witnessed growth of 27.9% on y-o-y basis and ROE improved by 60 bps to 13.7% over Q2FY23.

**Overall, Q3 FY23 was a very good quarter and in line with our expectation. With the tailwinds of the sector coupled with overall economic growth and a strong execution mindset, 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.* “**

\* Excluding PMAY CLSS subsidy, AUM growth y-o-y is 36.4% and q-o-q is 8.8%

# Key Highlights for Q3 FY23:

## Distribution:

- As on Dec'22, the Company has 102 branches with presence in 13 States / UT.
- Total touchpoints increased from 249 in Sep'22 to 261 in Dec'22.

## Disbursements:

- Disbursements of INR 780 Crs in Q3 FY23, y-o-y growth of 37.0% and 11.1% on q-o-q basis.

## Asset under Management (AUM):

- INR 6,751 Crs, growth of 35.2%\* over Q3FY22.
- Focus on housing loans that contribute 88% of AUM and EWS / LIG category that forms ~70% of the customer base.

## Asset Quality:

- Bounce rates improved to 14.4% in Jan'23 from 14.9% in Q3 FY23. Q2 FY23 - 15.6%.
- 1+ DPD improved from 4.7% to 4.4% on q-o-q basis.
- 30+ DPD improved from 3.3% to 3.0% on q-o-q basis.
- Gross Stage 3 (GNPA) in line with RBI circular dated 12 Nov 2021, improved by 10bps to 1.8% from 1.9% on q-o-q basis. Prior to such classification it stands at 1.1% in Dec'22.

## Provisions:

- ECL provision as on Dec'22 is INR 54 Crs; resulting in total provision to loans outstanding ratio at 1.0%; and the GNPA total provision coverage ratio (PCR) is at 53.6% in Dec'22 vs 50.8% in Sep'22 (total PCR without considering the impact of RBI circular is 87.4% in Dec'22 vs 91.0% in Sep'22).

## Borrowings:

- Total borrowings including debt securities are at INR 4,701 Crs as on Dec'22 up from INR 4,154 Crs as on Sep'22. The company continues to carry a liquidity of INR 1,524 Crs as on Dec'22.
- Cost of borrowings at 7.4% in Q3 FY23, increased by 30 bps compared to 7.1% in Q2 FY23.

## Spread:

- Spread on loans stood at 5.7% in Q3 FY23, decrease of 10bps q-o-q basis and increase of 10bps on y-o-y basis.

## Capital Adequacy:

- Total CRAR at 49.6%. Tier I capital stands at 49.1% as on Dec'22.
- Networth as on Dec'22 is at INR 1,748 Crs vis-à-vis INR. 1,686 Crs as on Sep'22.

## Financial Performance:

- Q3 FY23 Total Income at INR 206 Crs; y-o-y growth of 35.5% and q-o-q increase of 8.5% over Q2 FY23 of INR 189 Crs.
- PPOP stands at INR 82 Crs, growth of 25.5% on y-o-y basis and 10.2% on q-o-q basis.
- Q3FY23 PAT at INR 59 Crs, up by 8.2% from INR 54 Crs in Q2 FY23 and by 27.9% from INR 46 Crs in Q3 FY22.

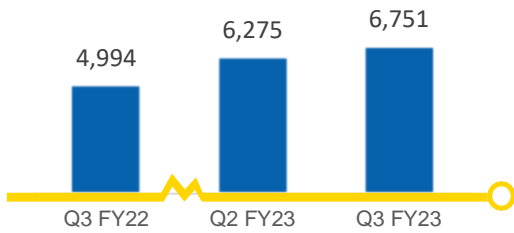
\* Excluding PMAY CLSS subsidy, AUM growth y-o-y is 36.4% and q-o-q is 8.8%

# HomeFirst Financial Highlights

## Quarterly Performance

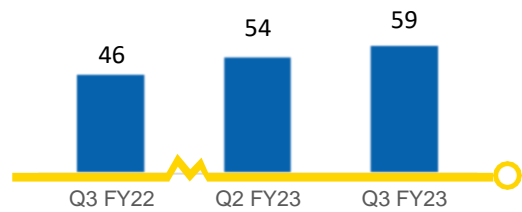
### Assets Under Management

INR Crs

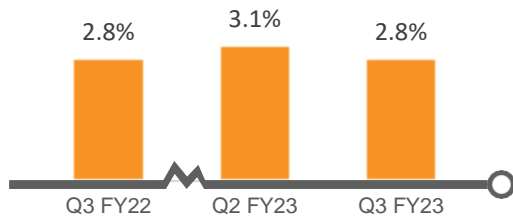


### Profit After Tax

INR Crs

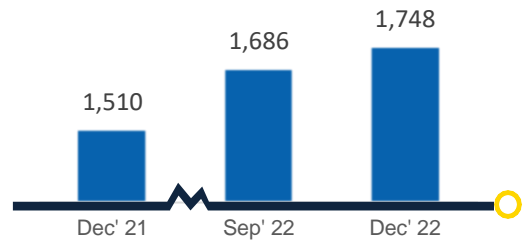


### Opex To Asset



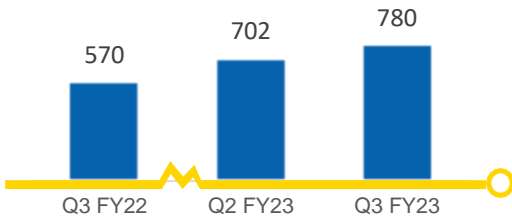
### Net worth

INR Crs

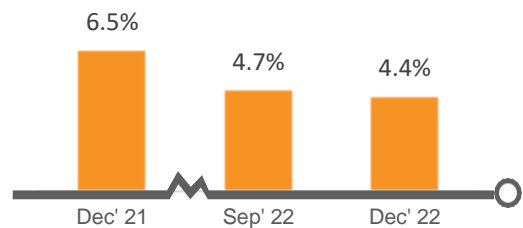


### Disbursement

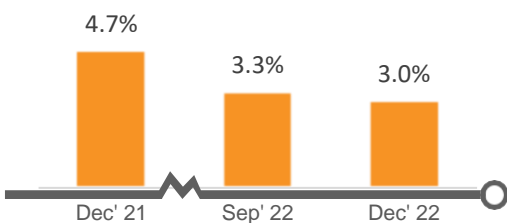
INR Crs



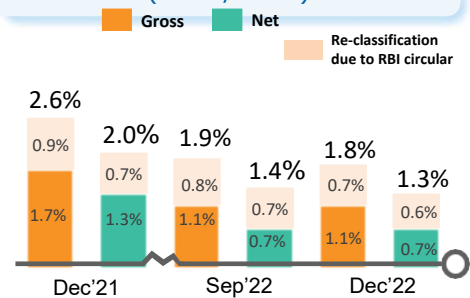
### DPD 1+



### DPD 30+



### Gross / Net Stage 3 (GNPA/NNPA)



# About Home First Finance Company India Limited

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**Home First Finance Company India Limited (HomeFirst)** is a technology driven affordable housing finance company that targets first time home buyers in low and middle-income groups. It primarily offers housing loans for the purchase or construction of homes. The Company has deep penetration in the largest housing finance markets with a network of 102 branches with presence in 13 States / UT in India, with a significant presence in urbanized regions in the states of Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu. The company has diversified lead generating channels with a wide network of connectors.

## Safe Harbor Statement

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Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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Company

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