

HFFCIL/BSE/NSE/EQ/138/2021-22

Date: 16-02-2022

To, <b>BSE Limited,</b> Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. Scrip Code- <b>543259</b>	To, <b>The National Stock Exchange of India Limited,</b> The Listing Department, Bandra Kurla Complex, Mumbai- 400 051. Scrip Symbol- <b>HOMEFIRST</b>
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**Subject: Intimation of Schedule of Analyst / Institutional Investor meetings under the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015**

Dear Sir/Madam,

Pursuant to the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we would like to inform you that the officials of Home First Finance Company India Limited ("Company") will be attending the "**Jefferies India Housing & Real Estate Summit**" on Wednesday, February 16, 2022.

This is to further inform that the copy of the Investor Presentation to be discussed in the summit has been attached for the information of your members and the public at large.

This information is submitted to you pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**Note:** The above date is subject to change. Change may happen due to exigencies on the part of Company or Analyst/Investor/Fund.

Request you to kindly take the same on record.

**For Home First Finance Company India Limited**

**Shreyans Bachhawat**  
**Company Secretary and Compliance Officer**  
**ACS NO: 26700**



# Jefferies India Housing & Real Estate Summit

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February 16, 2022

This presentation and the accompanying slides (the "Presentation"), which have been prepared by **Home First Finance Company India Ltd.** (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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This presentation contains certain forward looking statements concerning the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.



Affordable Housing –  
Huge Opportunity!

16%

Housing market CAGR  
(FY15-21)

INR 9.2 trillion

Actual Size of affordable housing finance  
market (FY 2021)

10%

Affordable Loans AUM CAGR  
(FY15-21)

2 million units

Demand generated  
per year<sup>1</sup>

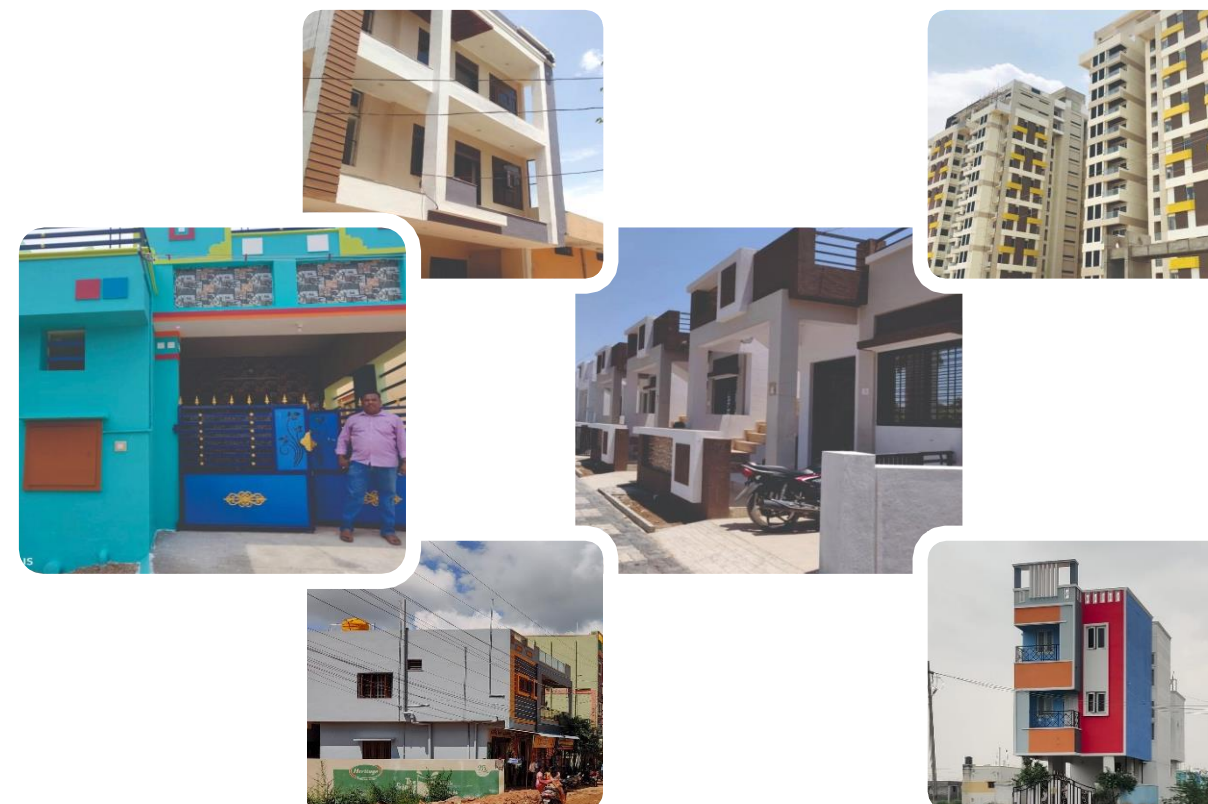


Source: Credit Bureau data for housing loans upto 25L ticket size; 1 Actual no. of loans disbursed under affordable housing for FY 2019



- 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
- 91% of book comprise of housing loans with average ticket size of ₹1.0Mn
- Strong liquidity pipeline with positive ALM and zero commercial papers
- Data science backed centralized underwriting with in-depth understanding of local property markets

## HomeFirst – Who we are



76  
Branches

13  
States/UT

92  
Districts

187  
Touchpoints

58,254  
Active customer  
accounts

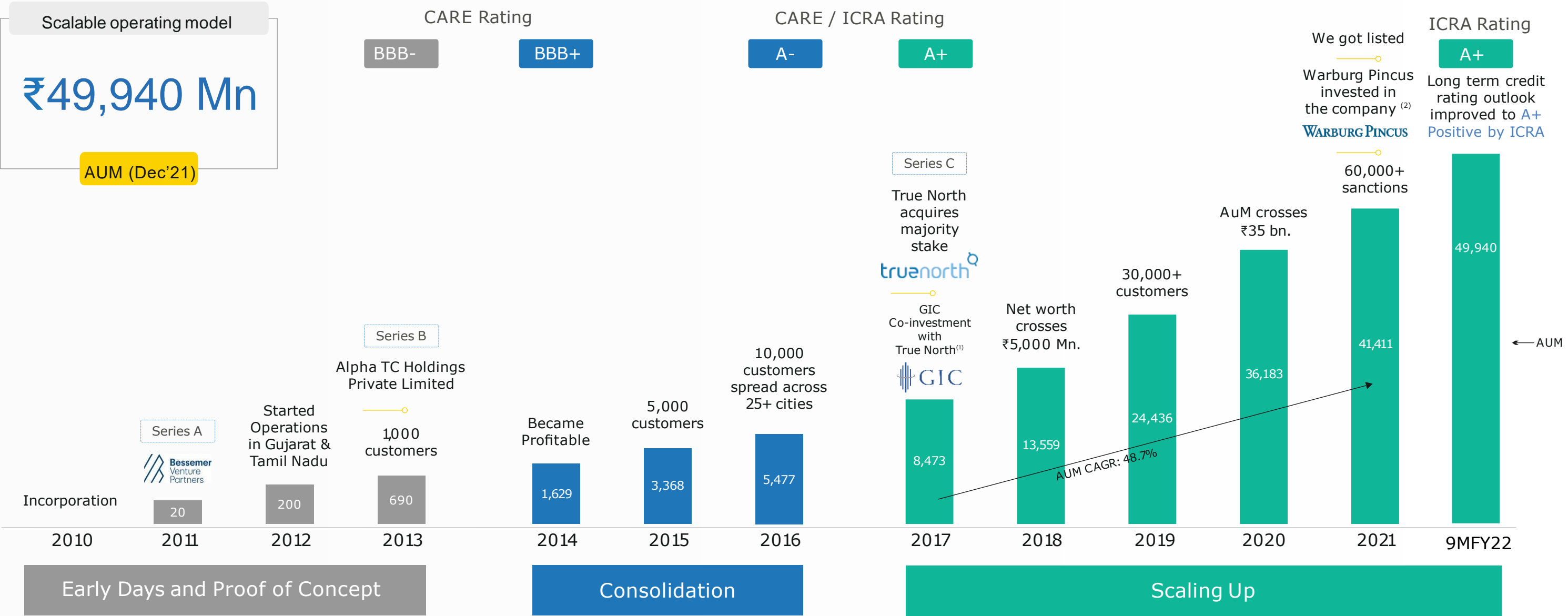
73% salaried  
Occupation Mix of  
AUM (Q3FY22)

₹14,050 Mn  
Liquidity Buffer as on Dec'21

830  
Number of  
employees  
(Q3FY22)



Our Journey

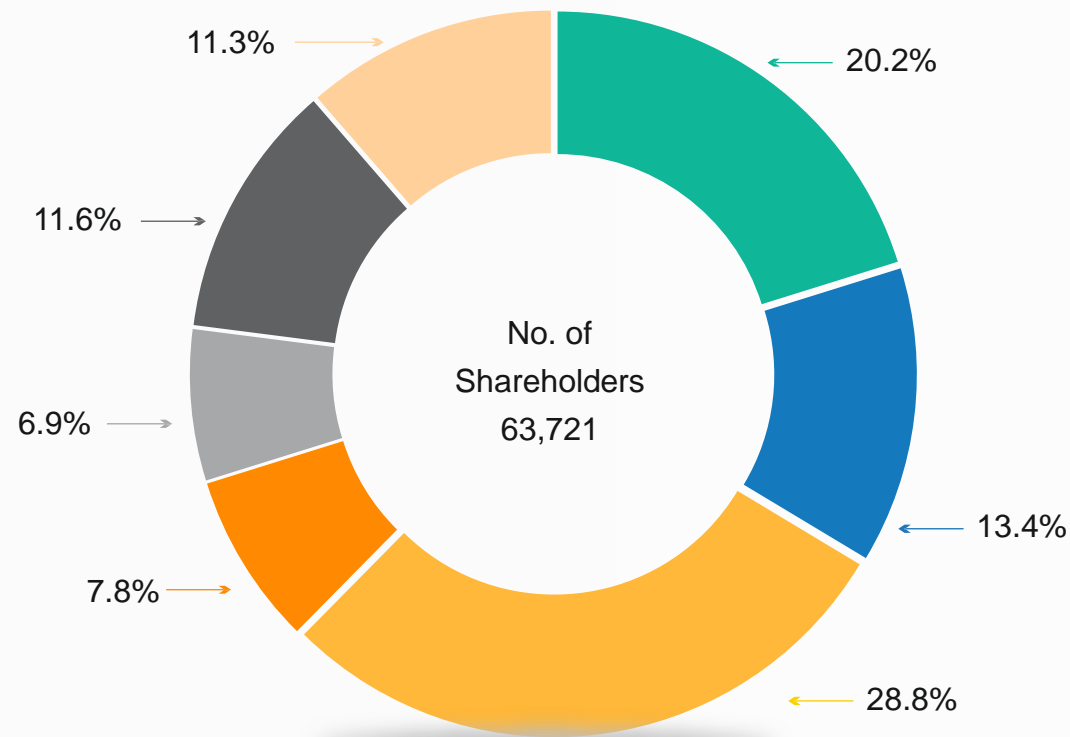


Note: AUM in INR Million

(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

## Share Holding as on 21 Jan'22



- TRUE NORTH FUND V LLP
- AETHER (MAURITIUS) LIMITED (GIC)^
- ORANGE CLOVE INVESTMENTS B.V (WARBURG PINCUS)
- BESSEMER INDIA CAPITAL HOLDINGS II LTD
- MFs, AIFs & Insurance Cos.
- FII's & FPI's
- Public & Others

PROMOTER & PROMOTER GROUP		% Holding
TRUE NORTH FUND V LLP		20.2
AETHER (MAURITIUS) LIMITED (GIC)^		13.4
KEY INVESTORS		% Holding
ORANGE CLOVE INVESTMENTS B.V (WARBURG PINCUS)		28.8
BESSEMER INDIA CAPITAL HOLDINGS II LTD		7.8
MFs & AIFs		% Holding*
SUNDARAM MF		2.1
MOTILAL OSWAL AIF		1.5
ICICI Pru MF		0.9
ADITYA BIRLA SUNLIFE		0.6
FII's & FPI's		% Holding*
KUWAIT INVESTMENT AUTHORITY FUND		1.7
BUENA VISTA		1.7
GOLDMAN SACHS ASSET MGMT		1.3
MORGAN STANLEY		0.9
AL MEHWAR COMMERCIAL INVESTMENTS		0.7
NOMURA AM		0.7
CRESTWOOD		0.7
GRANDEUR PEAK		0.6
FIDELITY INTERNATIONAL		0.5
TT ASIA - PACIFIC EQUITY FUND		0.4

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

\* Holding through various schemes and funds

## Meet our customers

### Formal Salaried

Customer 1

Age:44 / Location: KR Puram (suburbs of Bangalore)



Teacher with several years of experience and monthly family income of ₹49,000

**73%**  
Salaried

### Informal Salaried

Customer 2

Age: 32 / Location: Sayan (suburbs of Surat)



Diamond polisher for 10+ years with monthly family income of ₹29,000

**27%**  
Self employed

### Self Employed

Customer 3

Age: 36 / Location: Avadi (suburbs of Chennai)



Owens an iron fabricating shop for 15years with monthly income of ₹40,000

- Salary credit in bank was ₹19,348 with additional income through private tuitions in cash
- Husband is a maintenance officer earning ₹13,000 p.m
- Assessment based on total income (salary + tuition income) unlike traditional financiers who will consider only salary income
- Home Loan sanctioned: ₹1.5mn at RoI of 13% and EMI of ₹17,600
- Resilient. Has not missed a single payment through COVID and is regular with her payments.

- Cash salary of ₹20,000 p.m. His wife earned a salary of ₹9,000 also in cash.
- Found it challenging to approach a bank for a housing loan due to cash income
- Workplace verification to confirm income sources along with discussions with owner / boss to assess expertise, craftsmanship and job stability
- Home Loan sanctioned: ₹0.8mn at RoI of 13.5% and EMI of ~ ₹9,700
- Resilient. Has not missed a single payment through COVID and is regular with his payments.

- Faced difficulty with lengthy documentation process at banks; taking time out of his workshop meant loss of a day's business
- Door step service and workplace verification to confirm scale of business, reference checks with neighboring shops and home verification
- Home Loan sanctioned: ₹0.93mn at RoI of 14.5% and EMI of ₹11,900 (loan sanction in 4 hours from submission of documents)
- He has been resilient through COVID wave1. However, he's been impacted by COVID wave 2 and lagging behind with 2 EMIs overdue.

Data for the period Q3FY22



## Our unique value proposition to our customers

### Who are our customers...

- Salaried and self-employed individuals
- 75%+ Customers with annual household income level less than ₹0.6 mn
- First time home buyers
- 34% customers are new to credit

### What do our customers need

- Home loan requirement primarily in the ₹0.5 -1.5 mn range <sup>(1)</sup>
- Access to formal housing finance
- Minimal disruption to daily work routine

### What challenges do they face

- Inability to meet documentation requirements of traditional lenders
- Time consuming loan sanction process
- Dealing with middle men

NPS

78

For Q3 FY22

### Our Value Proposition

#### Access

- 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

#### Speed

- 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

#### Transparency

- 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

#### Service

- 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 Q3FY22 (1) 65%+ loans with Average ticket size between INR 0.5-1.5mn as of Q3FY22

0 - 4    4-7    7 - 15

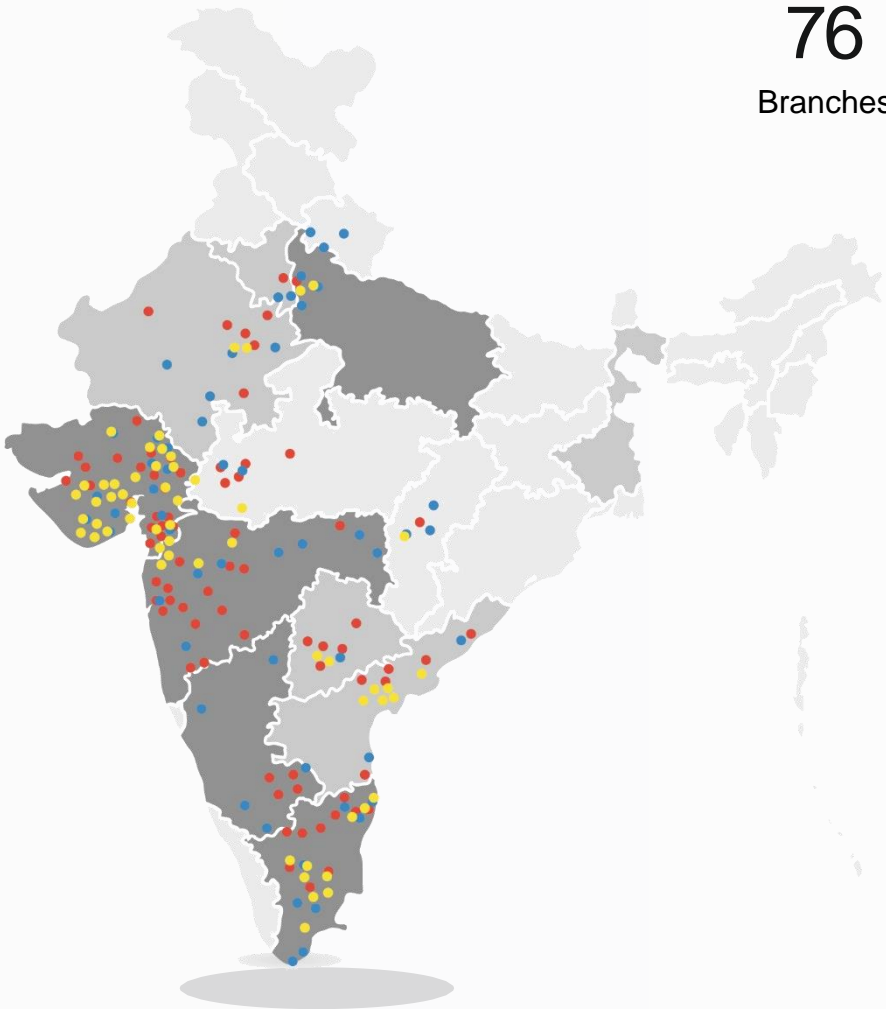
Contribution to India's GDP FY'21 ( %)

- Existing branches - 76
- New branch locations - 54
- Digital branches - 57

Pan India Distribution driven by strategic market selection & contiguous expansion

76 Branches    92 Districts    13 States/UT    187 Touchpoints

Geographic Expansion



Business commenced in 4 new physical branches and 7 new branch locations.  
In addition, 15 new digital branches have been launched.  
Taking the total number of touchpoints to 187

States/Territories	Number of		Percentage of gross loan assets as on			
	Branches	Districts	Q3FY22	FY21	FY20	FY19
Gujarat	20	22	37.0%	38.2%	39.7%	40.8%
Maharashtra	17	15	16.7%	19.2%	21.7%	28.4%
Tamil Nadu	11	16	12.0%	11.1%	9.9%	8.5%
Karnataka	4	5	8.3%	9.1%	9.0%	8.2%
Rajasthan	6	5	5.7%	5.5%	5.0%	3.8%
Telangana	5	4	6.8%	5.5%	4.9%	3.2%
Madhya Pradesh	5	6	4.7%	4.4%	3.9%	2.6%
Uttar Pradesh & Uttarakhand	1	6	3.6%	2.9%	2.6%	2.0%
Haryana & NCR	1	3	0.9%	1.0%	1.1%	1.3%
Chhattisgarh	1	4	1.4%	1.2%	0.9%	0.8%
Andhra Pradesh	5	6	2.9%	1.9%	1.3%	0.4%
Total	76	92	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

## Data Science backed centralized 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



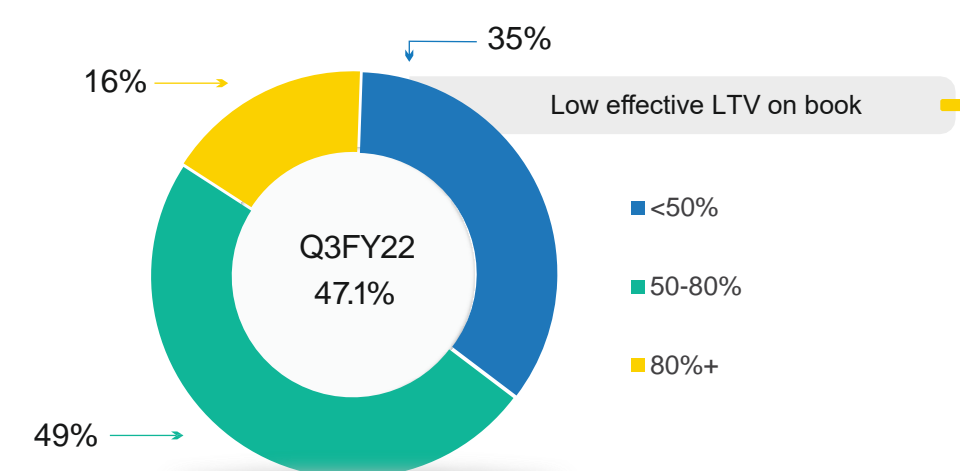
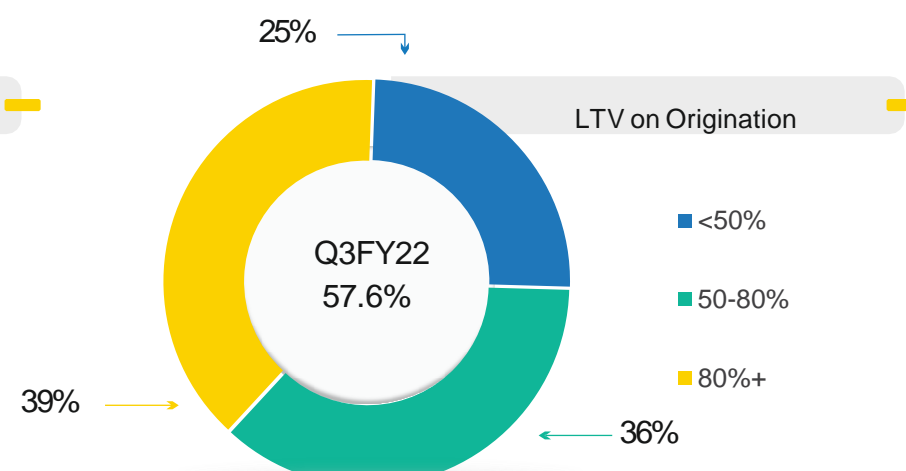
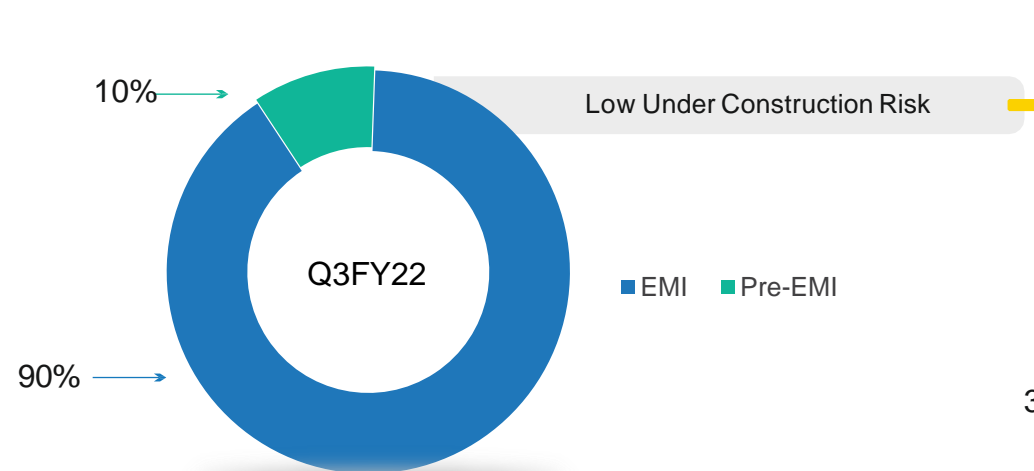
### Centralised

- 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 48 hrs

90%

For Q3 FY22



Note: "EMI" are loans where the construction is completed hence loan is fully disbursed and EMI on loan is being collected. "Pre -EMI" are loans where property is under construction hence loans are partially disbursed accordingly only interest is being collected from the customer. EMI collection will start once full disbursements happen.

## Scalable operating model built on holistic technology usage



### Tech Interventions

E-NACH  
E- Sign  
E- Vault  
E-Stamp paper  
Instant Soft Approval on App  
Biometric authentication on Customer App

Customers registered on app

76%

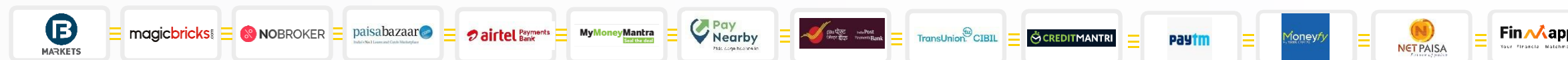
As of 31 Dec'21

Google rating of Homefirst Customer App

4.1

★★★★★

As of 18 Jan'22





## Business Updates

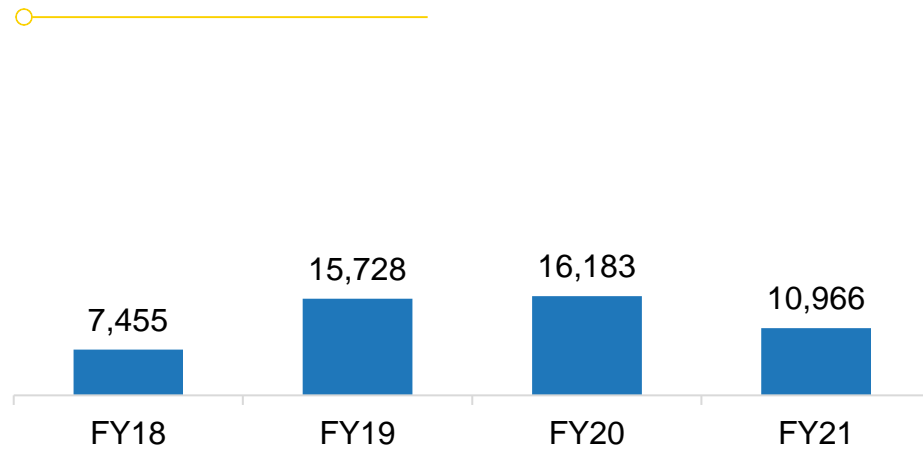




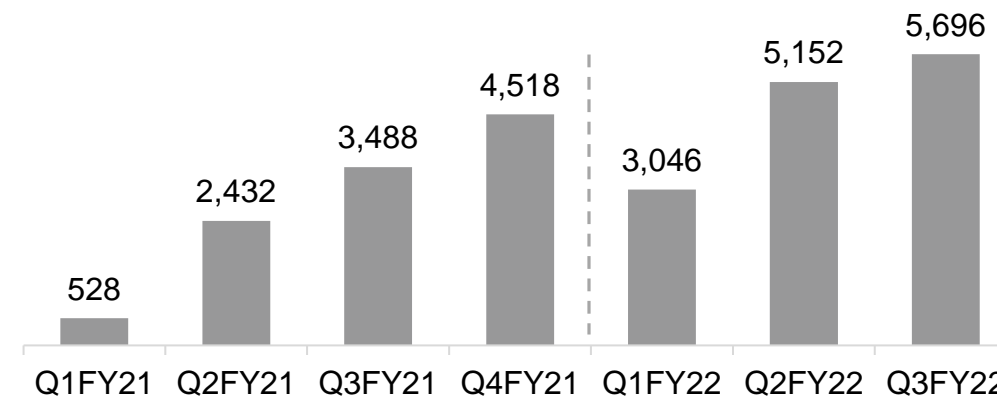
## Healthy Growth in Loan Book and Disbursements

### Disbursement ( ₹Mn )

Last 4 Years



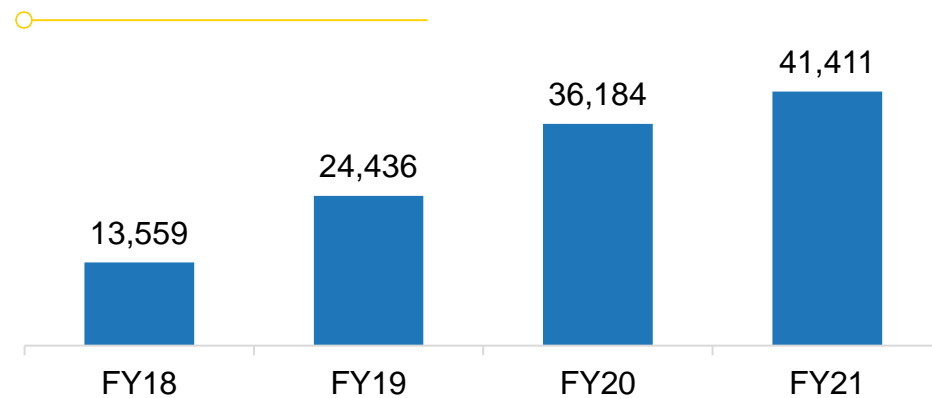
Last 7 Quarters



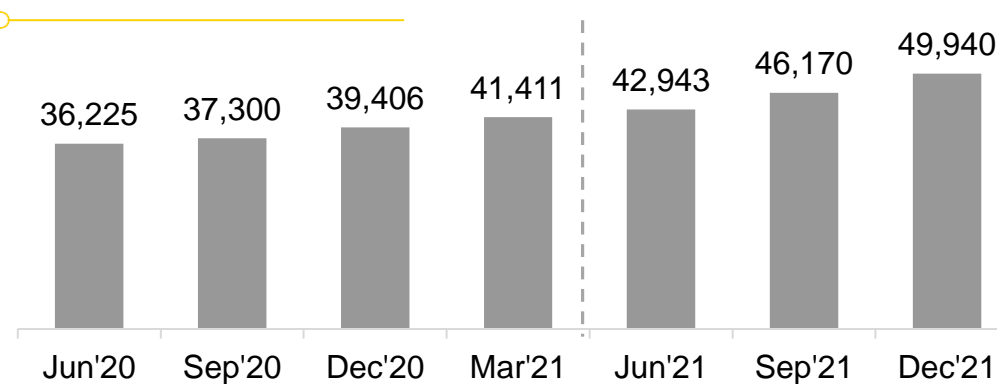
All time high disbursement for the quarter, y-o-y growth of 63.3%

### Assets Under Management ( ₹Mn )

Last 4 Years

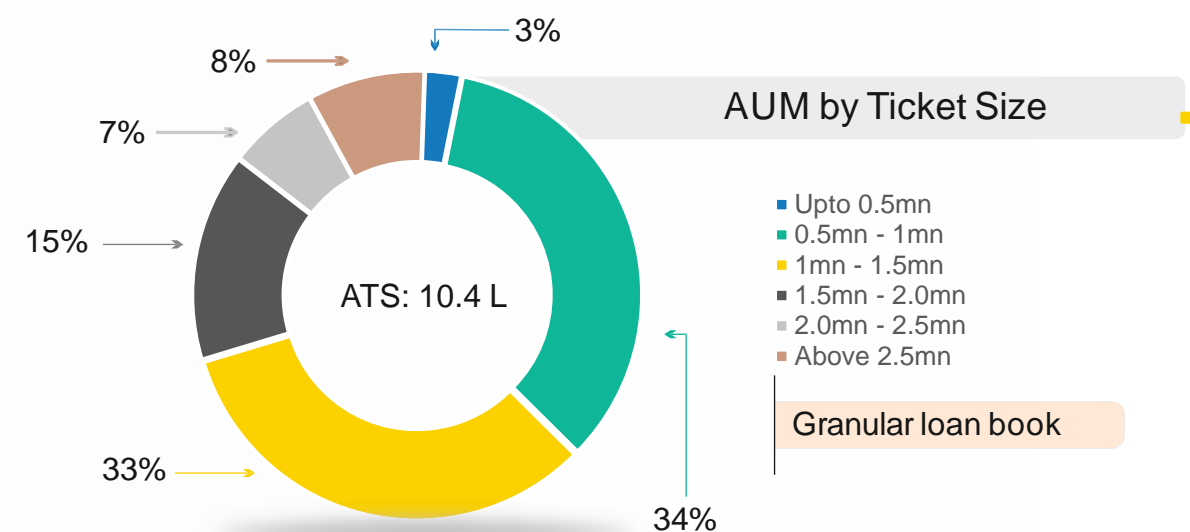
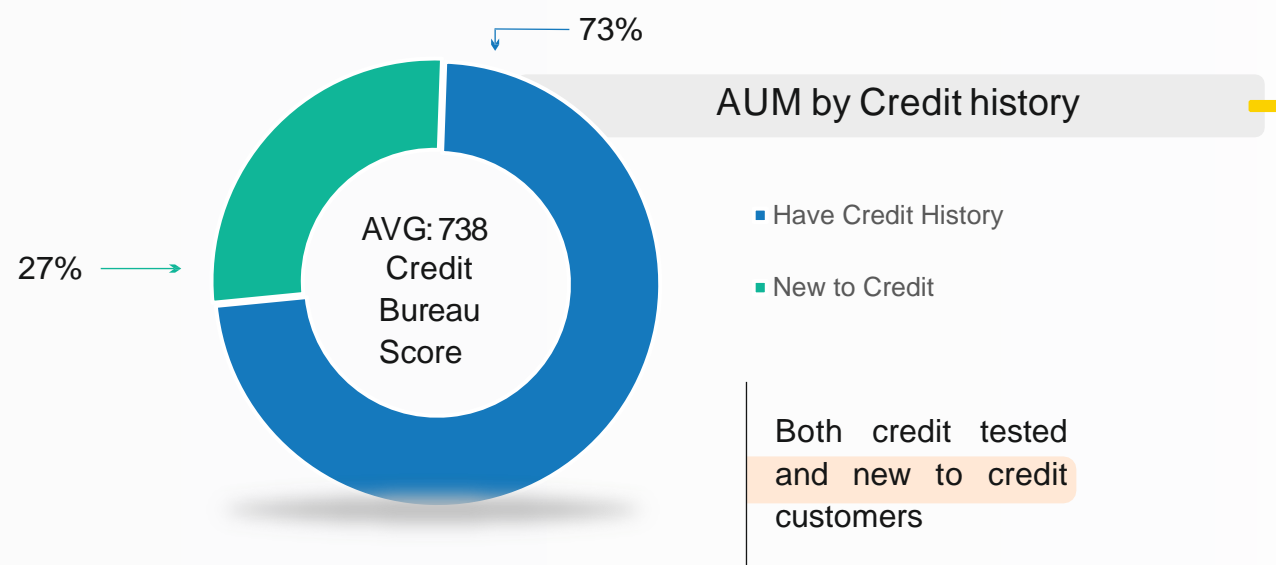
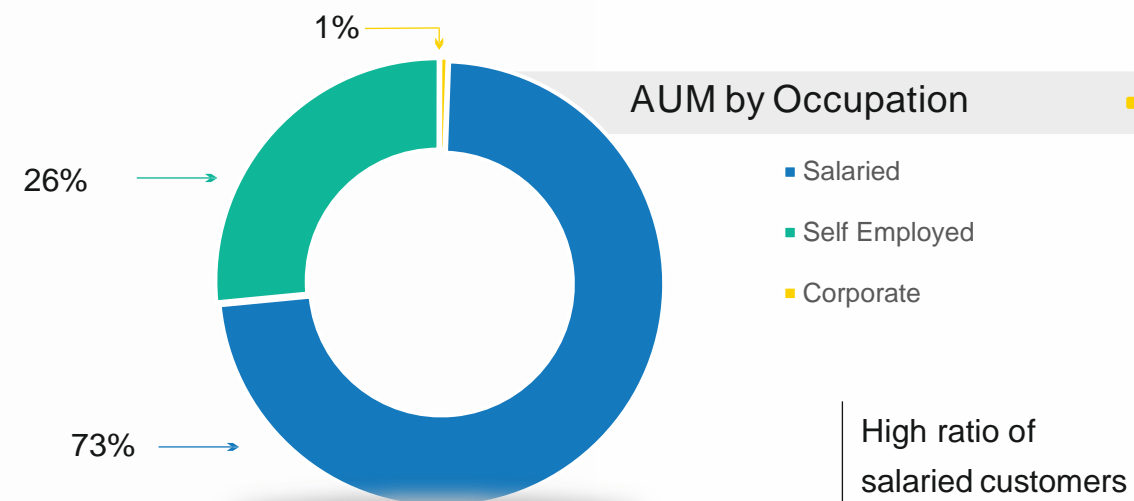
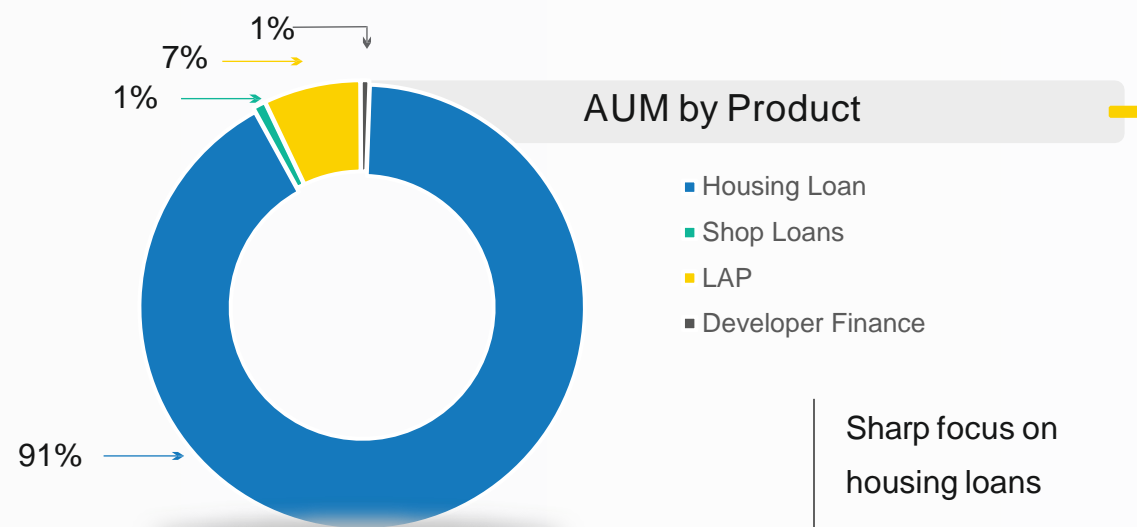


Last 7 Quarters



26.7% growth y-o-y  
 8.2% growth q-o-q  
 45% CAGR (3 Years FY18-FY21)  
 5.0% BT Out rate for Q3FY22 (annualized)

## Consistent Portfolio Metrics | Dec'21



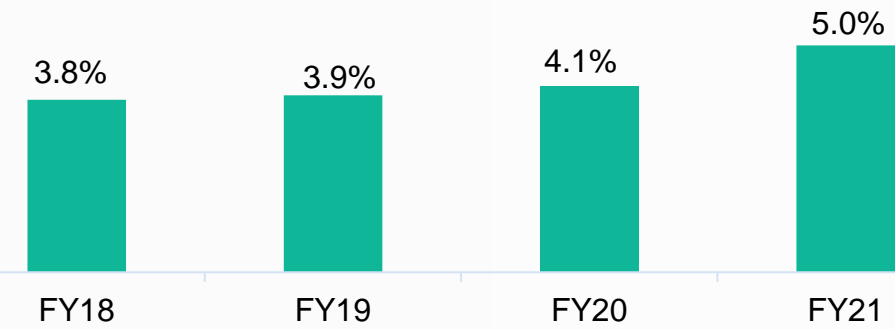
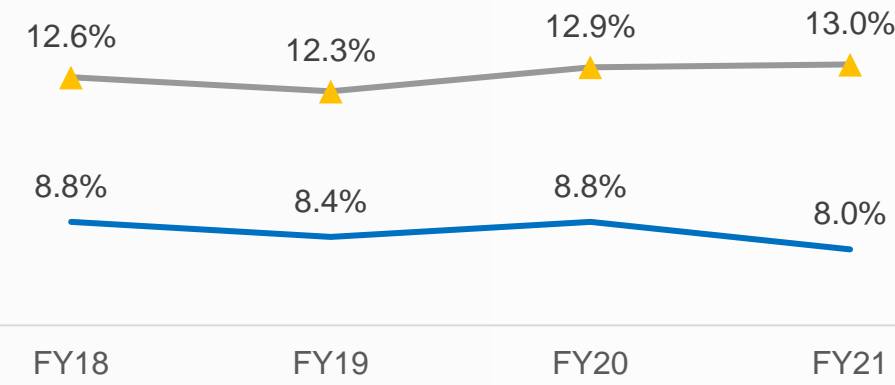
All figures as of Dec'21

Expansion in Spreads

- Portfolio Yield
- COB
- Spread

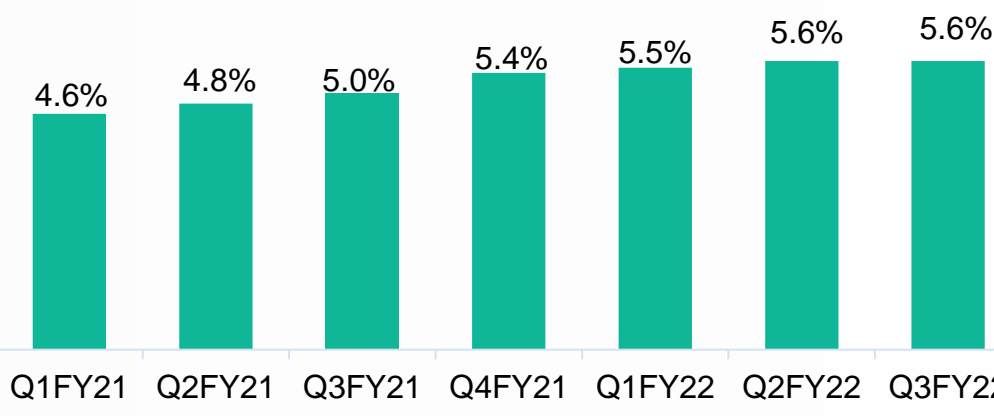
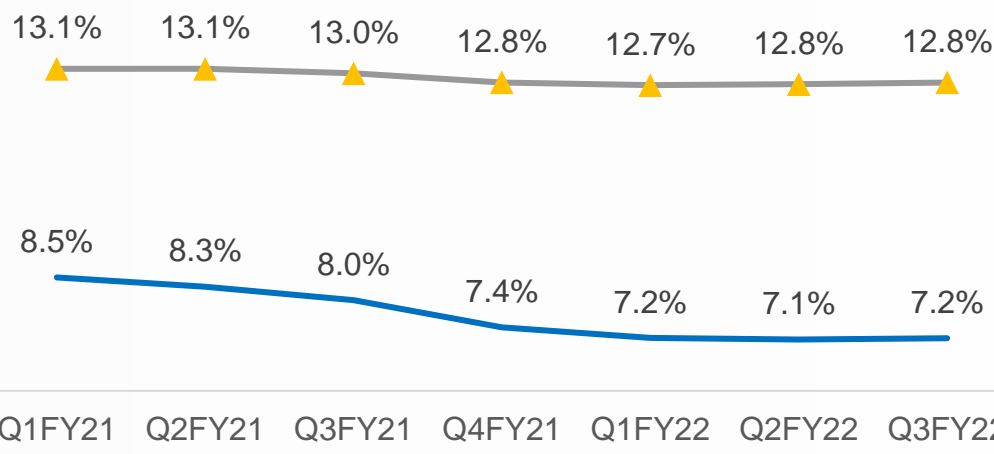
Net Interest Spread Movement

Last 4 Years



Data as per IGAAP

Last 7 Quarters



Sustained Cost of Borrowing

Incremental yield for Q3FY22 stood at 13.1%

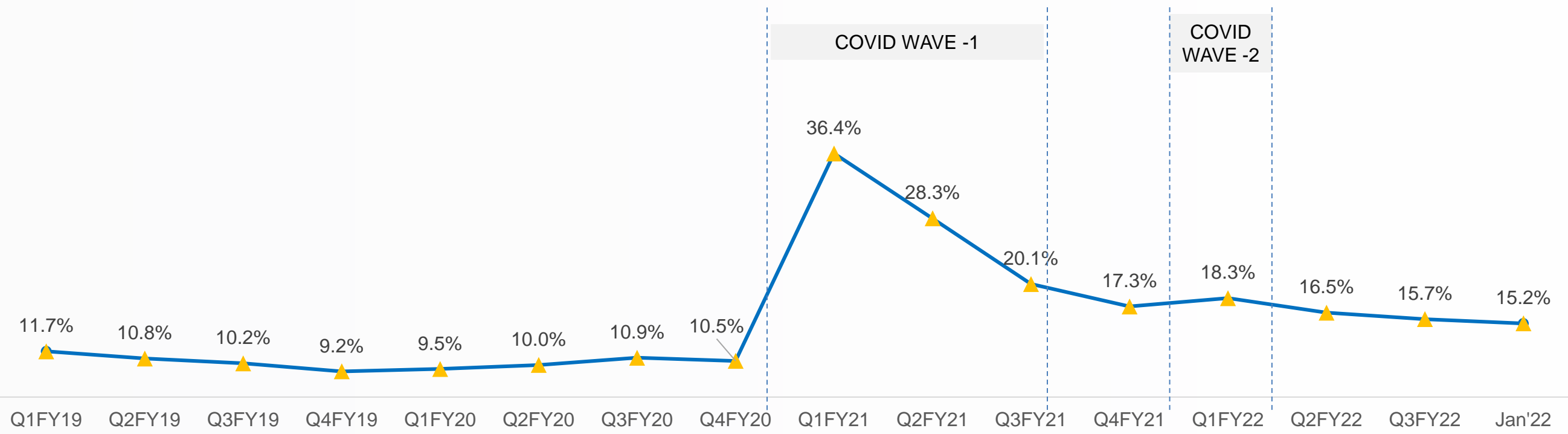
Marginal COB for Q3FY22 stood at 7.6%

Bounce rate

# Healthy Leading Indicators

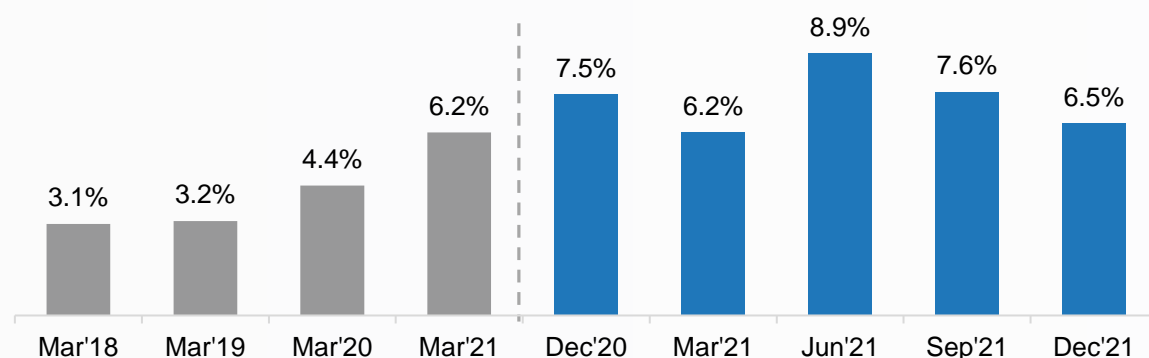
Bounce rate :On the day of EMI presentation

Bounce rates normalising

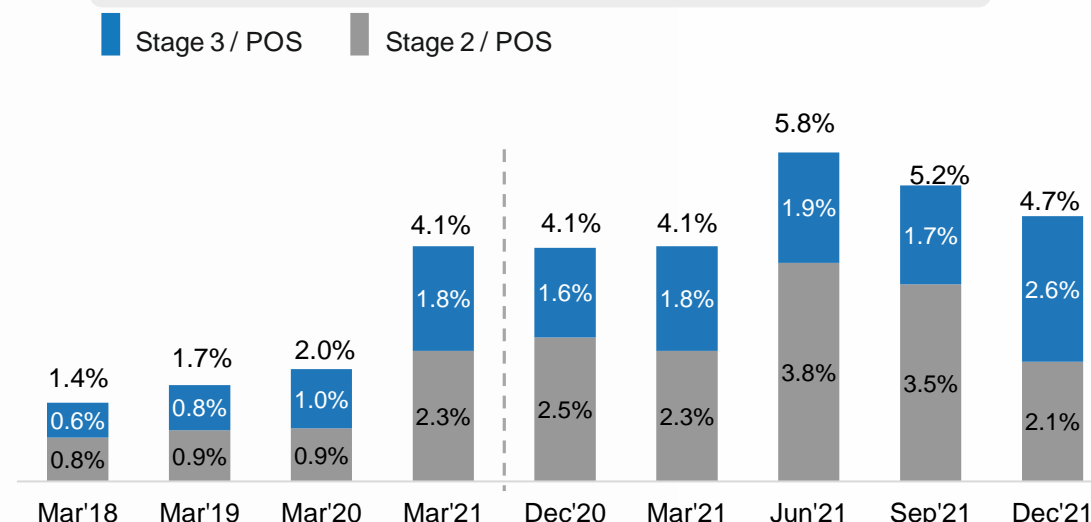


## Sound Credit Indicators

### DPD 1+ / POS



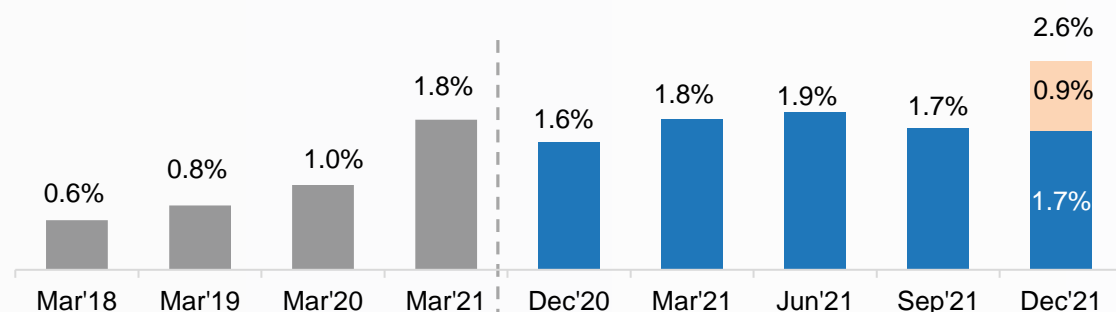
### DPD 30+ / POS %



Significant improvement in 1+ & 30+ DPD

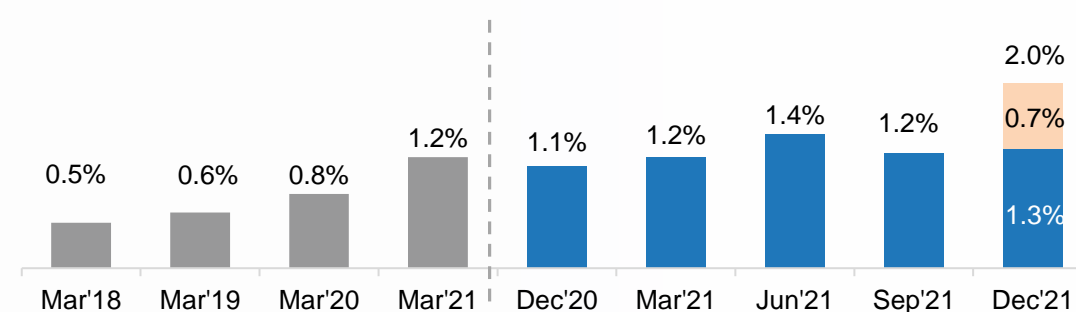
### Gross Stage 3 / POS (GNPA) %

Re-classification due to RBI circular



### Net Stage 3 / Net POS (NNPA) %

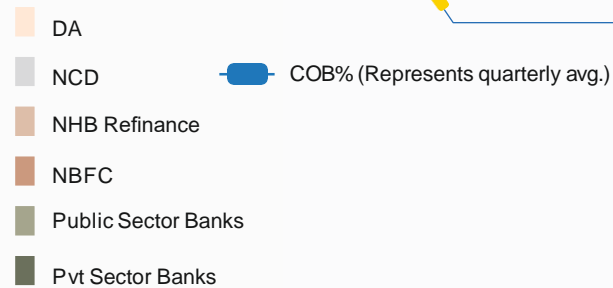
Re-classification due to RBI circular



Recovery from SARFAESI continues

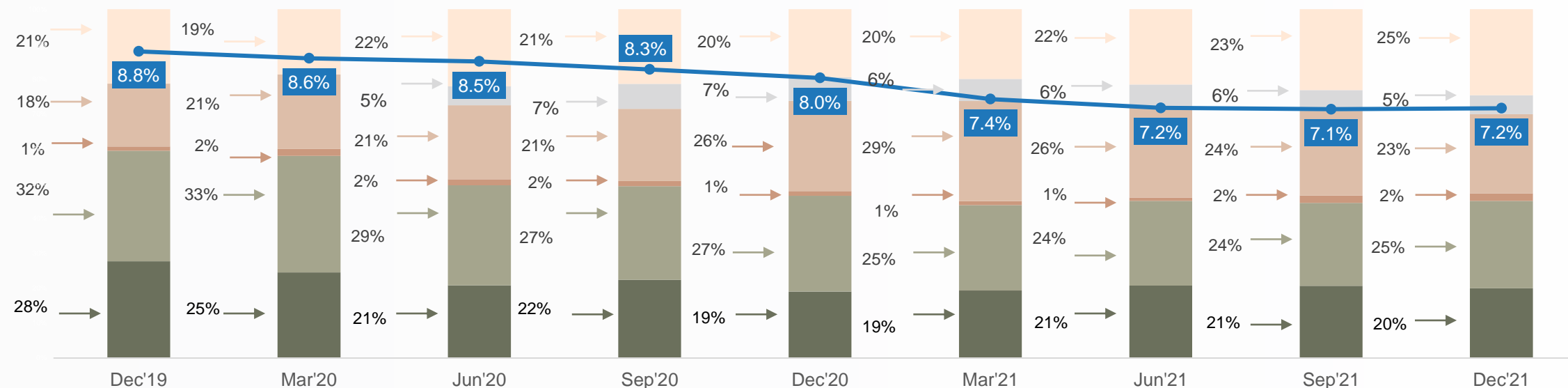
Pursuant to the RBI circular dated 12 Nov 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company has changed its NPA definition to comply with the norms/ changes for regulatory reporting, as applicable. The Company has also on the basis of prudence to aligned Stage 3 definition to revised NPA definition. This is resulted in classification of loans amounting to ₹339.20 million as non-performing assets (Stage 3) as at 31 Dec 2021 in accordance with regulatory requirements. However, the said change does not have a material impact on the financial results for the quarter / nine months ended Dec'21.





Diversified Funding Profile at competitive cost of borrowing

### Borrowings Mix and Cost of Borrowing trend



ICRA revises the long-term credit rating outlook from A+ 'Stable' to A+ 'Positive'

NCD placed with ICICI Prudential Mutual Fund of ₹ 99 Crs

**ZERO** borrowing through commercial papers

Short term rating of A1+ (ICRA and India Ratings)

Long term rating of A+ Stable CARE

### Some of our Strong and longstanding banking relationships

Public Sector Banks	State Bank of India	Central Bank of India	Union Bank
	IDBI Bank	Bank of India	
Private Sector Banks	HDFC Bank	ICICI Bank	Axis Bank
	Federal Bank	Kotak Mahindra Bank	HSBC
NBFC			
Bajaj Finance			

Validation by NHB - Single largest lender with ₹ 9,098.1 Mn outstanding 20+ lines

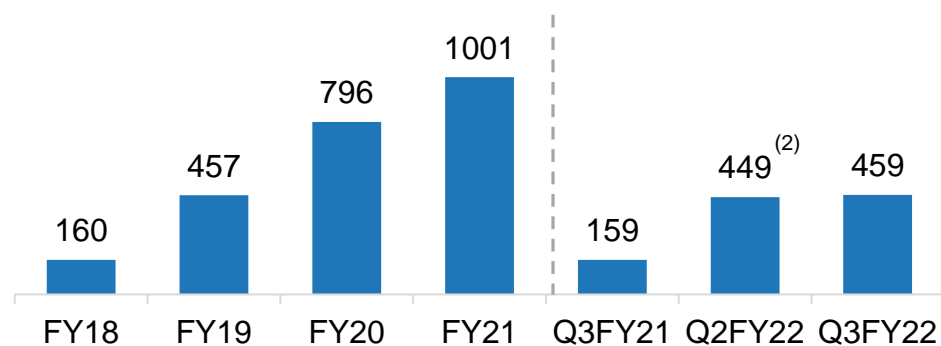


## Financial Updates



## Financial Highlights

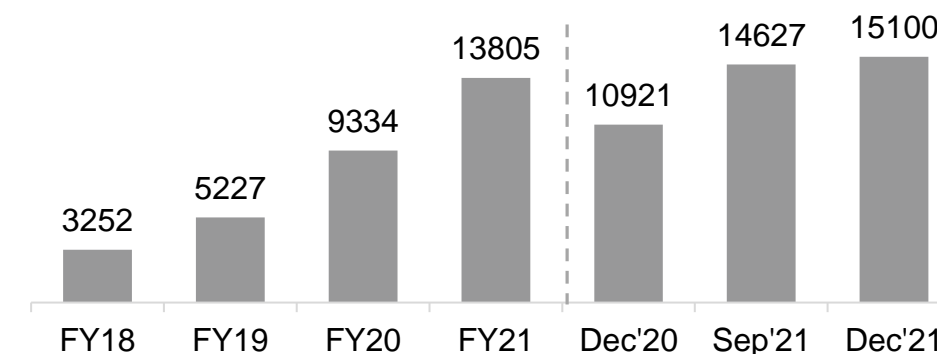
### Profit After Tax ( ₹Mn )



Strong profit growth despite maintaining high liquidity and conservative COVID provisioning

### Net worth ( ₹Mn )<sup>(1)</sup>

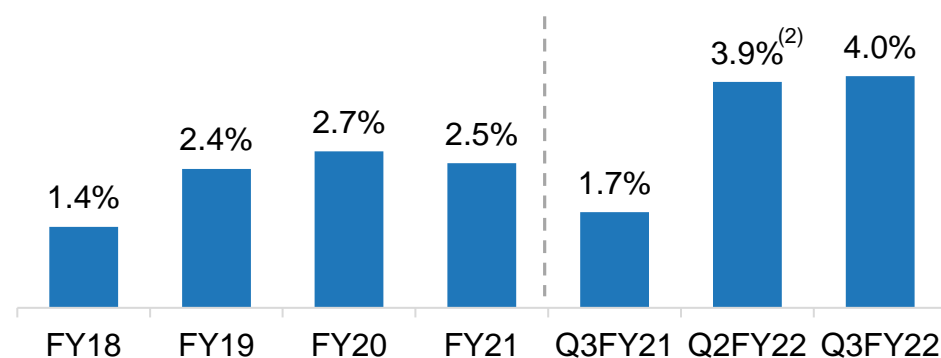
Equity Raised ( ₹Mn )



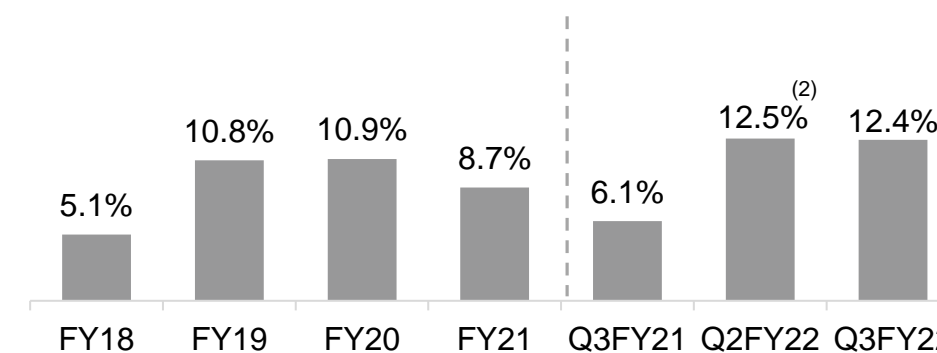
Robust NW to support growth

### Return on Average Assets<sup>(1)</sup>

A / E



### Return on Average Equity<sup>(1)</sup>



Note: Fiscal year ending Mar'31. A/E – Average Total Assets / Average Equity.

(1) Data for FY18 is as per restated financial statements

(2) Adjusted PAT at Rs 431 mn, Adjusted RoA at 3.7% and Adjusted RoE at 12.0% computed considering Adjusted PAT for Q2FY22 without the impact of one-time deferred tax liability adjustment

## Distinguished Board of Directors

Chairman  
&  
Independent Director



**Deepak Satwalekar**  
*Ex MD, CEO - HDFC Life*

Independent Directors



**Geeta Goel**  
*Country Director -  
Dell Foundation*

Michael and  
Susan Dell  
Foundation



**Anuj Srivastava**  
*CEO - Livspace*



**Sucharita Mukherjee**  
*CEO – Kaleidofin Pvt Ltd*



Nominee Directors



**Divya Sehgal**  
*Partner – True North*



**Maninder Singh Juneja**  
*Partner – True North*



**Narendra Ostawal**  
*MD – Warburg Pincus*



**Vishal Gupta**  
*MD – Bessemer India*



Executive Director



**Manoj Viswanathan**  
*MD & CEO - HomeFirst*



## Experienced Management Team



**Manoj Viswanathan**

*MD & CEO*

24+ years in Consumer Lending. 11 years with Citigroup.



**Ajay Khetan**

*Chief Business Officer*

19+ years in Consumer Lending & Technology at Macquarie Group, HP Financial Services and Citigroup



**Gaurav Mohta**

*Chief Marketing Officer*

17+ years in Consumer Lending and Product Management with Kotak Bank, Citigroup & RPG-Foodworld



**Vilasini Subramaniam**

*Head – Strategic Alliances*

16+ years in Product Development, Analytics, & Business Strategy at Citigroup & Janalakshmi Financial Services



**Nutan Gaba Patwari**

*Chief Financial Officer*

14+ years in Business Finance, Operation Management at HUL, ITC and Philip Morris



**Ramakrishna Vyamajala**

*Chief Human Resources Officer*

15+ years in HR operations at IDFC Bank and Vedanta



**Abhijeet Jamkhindikar**

*Business Head- Maharashtra*

19+ Years in Project & Developer Financing at HDFC Ltd



**Arunchandra Jupalli**

*Business Head - South*

17+ Years in Consumer Lending and Mortgage at Citigroup and Karvy Financial Services



**Dharmvir Singh**

*Chief Technology Officer*

15+ years in digital transformation, defining & implementing technology solutions in TCS, Birlasoft, IBM & Wipro



**Ashishkumar Darji**

*Chief Risk Officer*

16+ years experience in financial risk management domain at KPMG, SBI & Kotak Securities



# Thank You

For further information, please contact

## Company

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CIN: L65990MH2010PLC240703

Mr. Manish Kayal, Head - Investor Relations

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Investor Relations - HomeFirst

✉ [investor.relations@homefirstindia.com](mailto:investor.relations@homefirstindia.com)

## Investor Relations Advisors

---

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