

HFFCIL/BSE/NSE/EQ/60/2022-23

Date: 27-07-2022

To, BSE Limited, Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. Scrip Code- 543259	To, The National Stock Exchange of India Limited, The Listing Department, Bandra Kurla Complex, Mumbai- 400 051. Scrip Symbol- HOMEFIRST
--	---

**Sub: Outcome of the Board Meeting held on Wednesday, July 27, 2022
and submission of the Reviewed Financial Results for the quarter ended June 30, 2022.**

Dear Sir / Madam,

Pursuant to the applicable provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company ("Board") at its Meeting held today i.e. on Wednesday, July 27, 2022, has *inter alia*, considered and approved the Reviewed Financial Results of the Company for the quarter ended June 30, 2022 ("Financial Results").

Please find enclosed herewith the following:

1. Limited Review Report submitted by Statutory Auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants;
2. Reviewed Financial Results of the Company for the quarter ended June 30, 2022;
3. Additional disclosures in accordance with Regulation 52(4) and 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – **Annexure A**

Please note that the said Board Meeting commenced at 2:00 P.M. and concluded at 05:40 P.M.

In terms of SEBI (Prohibition of Insider Trading) Regulations 2015 and Company's Code of Conduct the trading window for designated persons and their immediate relatives will open on August 1, 2022.

Kindly take the same on record.

For **Home First Finance Company India Limited**

Shreyans Bachhawat
Company Secretary and Compliance Officer
ACS NO: 26700

Deloitte Haskins & Sells

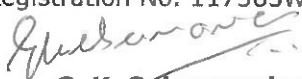
Chartered Accountants
19th Floor, Shapath-V
S.G. Highway
Ahmedabad - 380 015
Gujarat, India

Phone: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HOME FIRST FINANCE COMPANY INDIA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Home First Finance Company India Limited** (the "Company") for the quarter ended June 30, 2022 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative financial information of the Company for the previous year reporting period included in the Statement have been reviewed by the predecessor auditor. The report of the predecessor auditor on the previous year comparative financial information dated July 29, 2021 expressed an un-modified conclusion. Our conclusion is not modified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
(UDIN: 22109839ANRLZW3685)

Place: Mumbai
Date: July 27, 2022

Statement of unaudited financial results for the quarter ended 30 June 2022

(Rs. in million, except per share data)

Particulars	Quarter ended		Year ended	
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	Reviewed	Audited (Refer note 9)	Reviewed	Audited
Revenue from operations				
Interest income	1,546.51	1,389.07	1,181.38	5,116.95
Fees and commission income	15.43	8.69	2.20	13.18
Net gain on fair value changes	20.97	19.59	38.69	136.72
Net gain on derecognition of financial instruments under amortised cost category	99.00	138.18	193.65	678.34
Other operating income	11.54	5.28	1.90	11.51
Total revenue from operations	1,693.45	1,560.81	1,417.82	5,956.70
Other income	-	0.05	0.10	0.31
Total income	1,693.45	1,560.86	1,417.92	5,957.01
Expenses				
Finance costs	607.00	538.14	528.83	2,156.67
Impairment on financial instruments	36.15	26.83	130.42	250.22
Employee benefits expense	255.82	229.43	185.51	807.70
Depreciation and amortisation	20.20	18.52	18.83	75.21
Other expenses	111.31	115.82	78.05	404.26
Total expenses	1,030.48	928.74	941.64	3,694.06
Profit before tax	662.97	632.12	476.28	2,262.95
Tax expense:				
- Current tax	156.42	144.98	88.09	446.83
- Deferred tax	(5.92)	5.39	37.13	75.27
- Tax pertaining to earlier years	-	(120.13)	-	(120.13)
Total tax expense	150.50	30.24	125.22	401.97
Profit after tax	512.47	601.88	351.06	1,860.98
Other comprehensive income				
Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans	(1.07)	(0.98)	(1.10)	(4.27)
- Income tax relating to items that will not be reclassified to profit or loss	0.27	0.24	0.28	1.07
Other comprehensive income	(0.80)	(0.74)	(0.82)	(3.20)
Total comprehensive income	511.67	601.14	350.24	1,857.78
Earnings per share (not annualised for the quarters)				
Basic earnings per share (Rs.)	5.85	6.87	4.01	21.26
Diluted earnings per share (Rs.)	5.70	6.73	3.94	20.85
Face value of equity shares (Rs.)	2.00	2.00	2.00	2.00
Paid up equity share capital	175.37	175.27	175.00	175.27
Other equity				15,561.58



Notes:

- 1 The financial results of the Company has been prepared by the management in accordance with the recognition and measurement principles, laid down under Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and 52 of the SEBI (Listing and Disclosure Requirements) Regulations, 2015 (as amended).
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27 July 2022 and have been subjected to limited review by the statutory auditors.
- 3 During the quarter ended 30 June 2022, 52,652 shares have been allotted to employees who have exercised their options under the ESOP scheme 2012 & ESOP scheme II.
- 4 India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.
- 5 Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company changed its NPA definition to comply with the norms/ changes for regulatory reporting, as applicable. This has resulted in classification of loans amounting to Rs. 443.62 million as additional non-performing assets (Stage 3) as at 30 June 2022. However, the said change does not have a material impact on the financial results for the quarter ended 30 June 2022.
On 15 February 2022, the RBI allowed deferment pertaining to the upgradation of Non Performing accounts till 30 September 2022. However, the Company has not opted for such deferment and continues to align Stage 3 definition to revised NPA definition.
- 6 The Company's main business is financing by way of loans towards affordable housing segment in India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Segment Reporting'.
- 7 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated 24 September 2021:
 - a. Details of transfer through direct assignment in respect of loans not in default during the quarter ended 30 June 2022

Particulars	Quarter ended 30 June 2022
Aggregate amount of loans transferred (Rs. in million)	891.65
Sale consideration (Rs. in million)	802.49
Weighted average remaining maturity (in months)	218.24
Weighted average holding period after origination (in months)	14.48
Retention of beneficial economic interest	10%
Coverage of tangible security coverage	100%
Rating wise distribution of rated loans	NA

 - b. The Company has not acquired any loan not in default during the quarter ended 30 June 2022.
 - c. The Company has not transferred or acquired any stressed loan during the quarter ended 30 June 2022.
- 8 Disclosures in compliance with Regulation 52(4) of SEBI (Listing Obligations and Disclosure requirements), Regulations 2015 for the quarter ended 30 June 2022 is attached as Annexure A.
- 9 The figures for the last quarter of the previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the previous financial year which were subjected to limited review by statutory auditors.
- 10 The comparative financial information of the Company for the previous reporting periods included in the Statement have been reviewed by the predecessor auditor. The report of the predecessor auditor on these comparative financial information expressed an un-modified conclusion.
- 11 Figures of previous periods/year have been regrouped and/ or reclassified wherever considered necessary.



For and on behalf of the Board of Directors

Manoj Viswanathan
Managing Director and Chief Executive Officer
DIN: 01741612
Place: Mumbai
Date: 27 July 2022

Annexure A

Disclosure in compliance with Regulations 52(4) and 54 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2022.

- a) Debt-Equity ratio*: 2.32
- b) Networth**: Rs.16,279.21 million
- c) Net profit after tax: Rs. 512.47 million
- d) Earnings per share
 - a. Basic – Rs. 5.85
 - b. Diluted - Rs. 5.70
- e) Total Debts to Total Assets: 0.69
- f) Net Profit Margin (%): 30.26%
- g) Sector specific equivalent ratios, as applicable
 - i) % of Gross NPA to loan assets: 2.14%
 - ii) % of Net NPA to Net assets: 1.68%
 - iii) Provision coverage ratio***: 45.78%
 - iv) Liquidity coverage ratio: 102.81%

* Debt equity ratio is (Debt securities + Borrowings + Subordinated liabilities) / Networth.

** Networth is equal to paid up equity share capital plus other equity.

*** Provision coverage ratio is Total impairment loss allowance/ Gross NPA loans.

h) Security Cover under Regulation 54(2):

The listed Non- Convertible Debentures issued by the Company are secured by first pari passu charge by way of hypothecation of standard receivables and book debts, cash and cash equivalents and liquid investments of the Company to the extent of 1.10 times of the outstanding secured Non-Convertible Debentures as per the terms of the offer as at June 30, 2022.

Note:

The Company, being a housing finance company, disclosure of Debt service coverage ratio, Interest service coverage ratio, Outstanding redeemable preference shares (quantity and value), Capital redemption reserve / Debenture redemption reserve, Current Ratio, Long term Debt to working capital, Bad debts to account receivable ratio, Current Liability Ratio, Debtors Turnover, Inventory Turnover, Operating Margin are not applicable to the Company.

For Home First Finance Company India Limited


Manoj Viswanathan
Managing Director & CEO
DIN: 01741612
Place: Mumbai
Date: July 27, 2022

