

**HFFCIL/BSE/NSE/EQ/31/2024-25**

**Date: 20-06-2024**

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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**Sub: Presentation by the Managing Director and CEO at the 15<sup>th</sup> Annual General Meeting of the Members of Home First Finance Company India Limited (the “Company”) held on Thursday, June 20, 2024.**

Dear Sir/Madam,

Please find enclosed herewith the presentation given by Mr. Manoj Viswanathan, Managing Director and Chief Executive Officer at the 15<sup>th</sup> Annual General Meeting of the Company held on Thursday, June 20, 2024 at 12:00 noon (IST) through Video Conferencing (“VC”) or other Audio-Visual means (“OAVM”).

We 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**

# HomeFirst Finance 15<sup>th</sup> Annual General Meeting

20<sup>th</sup> June, 2024

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Presentation by: Manoj Viswanathan, MD & CEO

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This presentation includes a number of forward looking statements regarding the Company's future business prospects and profitability, which are subject to a number of risks and uncertainties, and the actual results may significantly differ from those in the forward looking statements. Risks and uncertainties related to these statements include fluctuations in earnings, our capacity to manage growth, competition, economic growth in India and abroad, ability to attract and retain highly skilled professionals, government policies and actions. The Company does not commit to making any announcement or update any forward looking statements made by or on behalf of the Company at any time.



# Presentation Agenda

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About HomeFirst	04
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# HomeFirst – Who Are We?

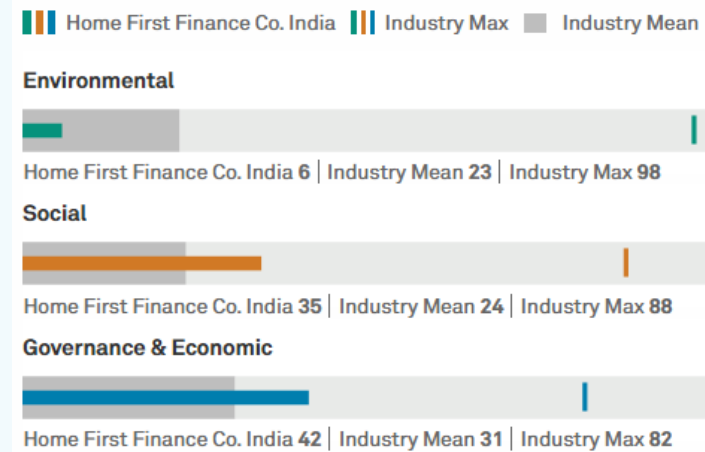
- Technology driven affordable housing finance company with pan India presence
- Home loans to first time home buyers with predominant focus on salaried individuals having income < ₹ 50k p.m
- 86% of book comprise of housing loans with average ticket size of ₹ 1.15Mn
- Strong liquidity pipeline with 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

**S&P Global ESG Score: 34**



**133**  
Branches

**13**  
States / UT

**131**  
Districts

**321**  
Touchpoints

**95,512**  
Customers

**68%**  
Salaried occupation mix of AUM (Mar'24)

**₹2,055 Crs**  
Liquidity buffer as on Mar'24

**1,249**  
No of Employees (Mar'24)

# Meet Our Customers

Who are they?

What is their story?

## Formal Salaried

**Customer 1**  
Age:38 / Location: Indore



**Salaried**  
**68%**

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

## Informal Salaried

**Customer 2**  
Age: 46 / Location: Hyderabad



**Self Employed**  
**32%**

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

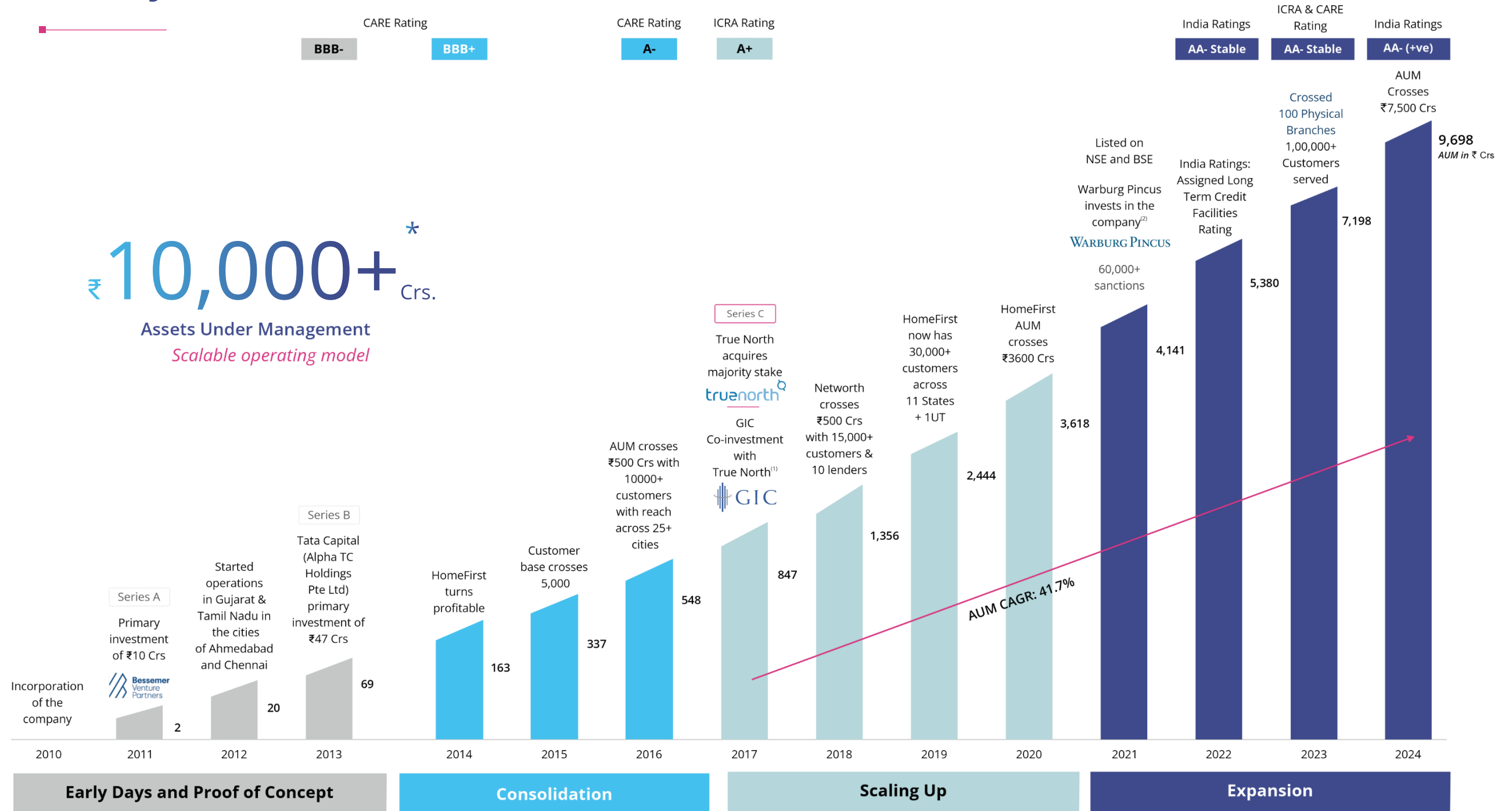
**Customer 3**  
Age: 46 / Location: Haridwar



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

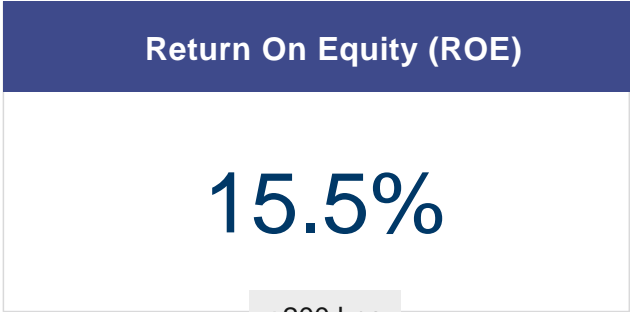
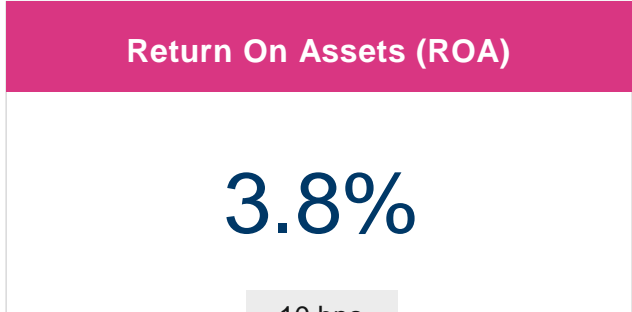
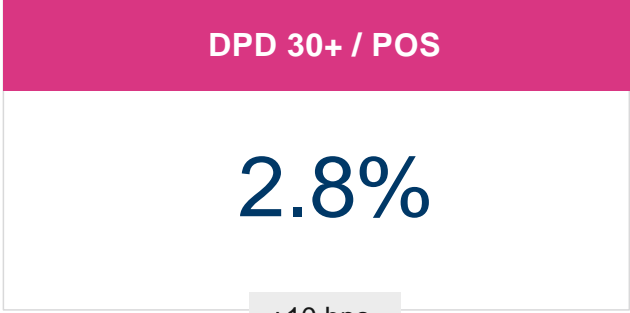
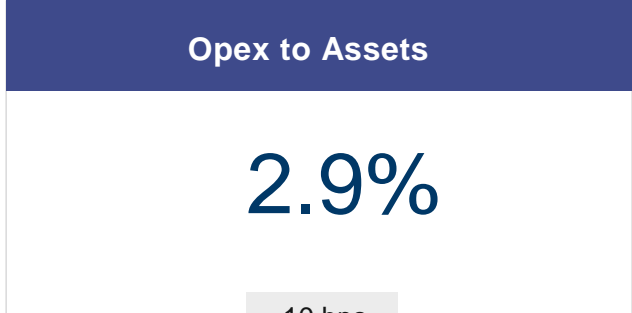
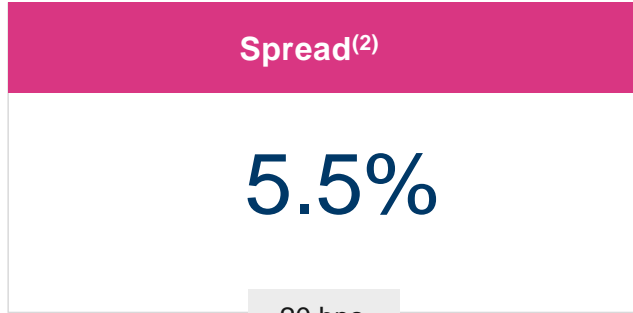
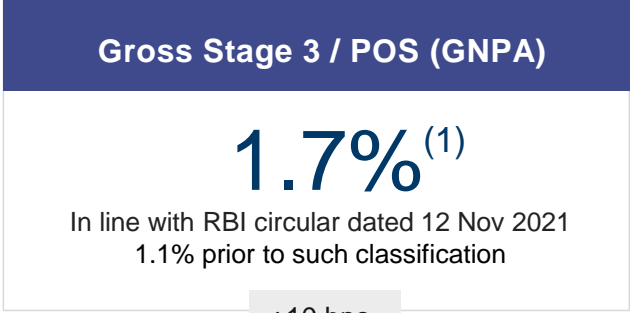
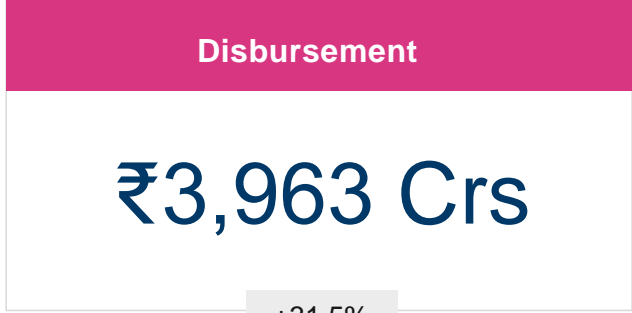
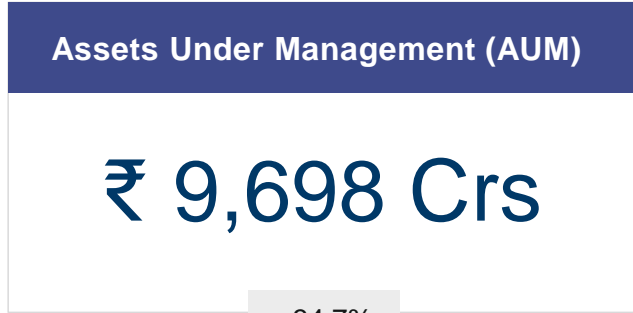
# Our Journey



\*HomeFirst crossed ₹ 10000 Crs AUM (notified to exchanges on 15th May)

# Executive Summary – FY24

y-o-y



(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 ₹45.7 Crs as Gross Stage 3 (GNPA) as at Mar'24 in accordance with regulatory requirements. Gross Stage 3 prior to such classification for Mar'24 is 1.1%.

(2) As per IGAAP. Excludes Co-lending



# Key Events of FY24

Disbursal milestone of ~Rs 4,000 Crs  
in a year

Distribution expansion in Uttar  
Pradesh, Madhya Pradesh &  
Rajasthan as new growth markets.

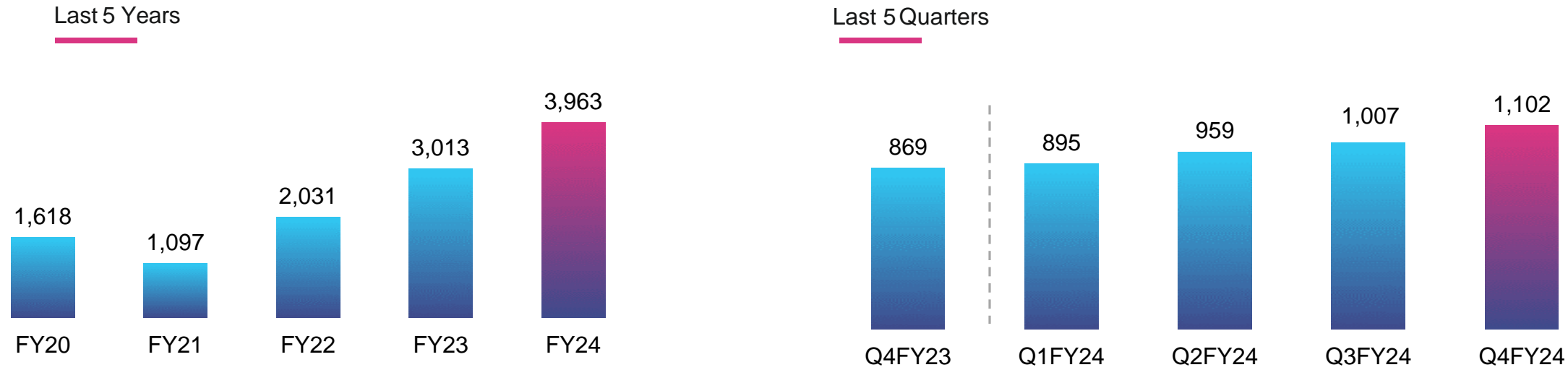
IndiaRatings Outlook Upgrade to  
AA- Positive

ROE crossed 15.5%  
Q4FY24 at 16.1%

Growing Co-lending book,  
currently 3% of AUM

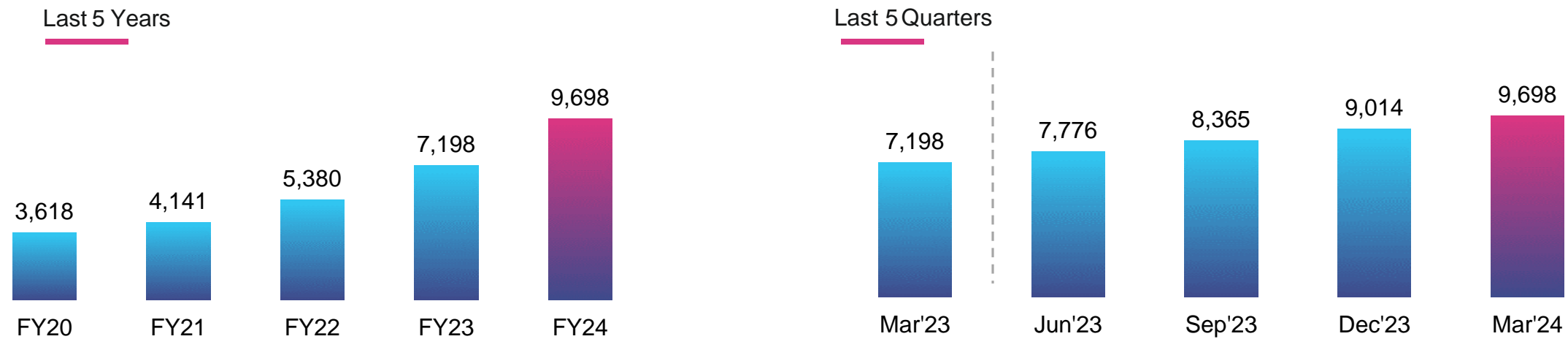
# Healthy Growth in Loan Book and Disbursements

## Disbursement (₹ Crs)



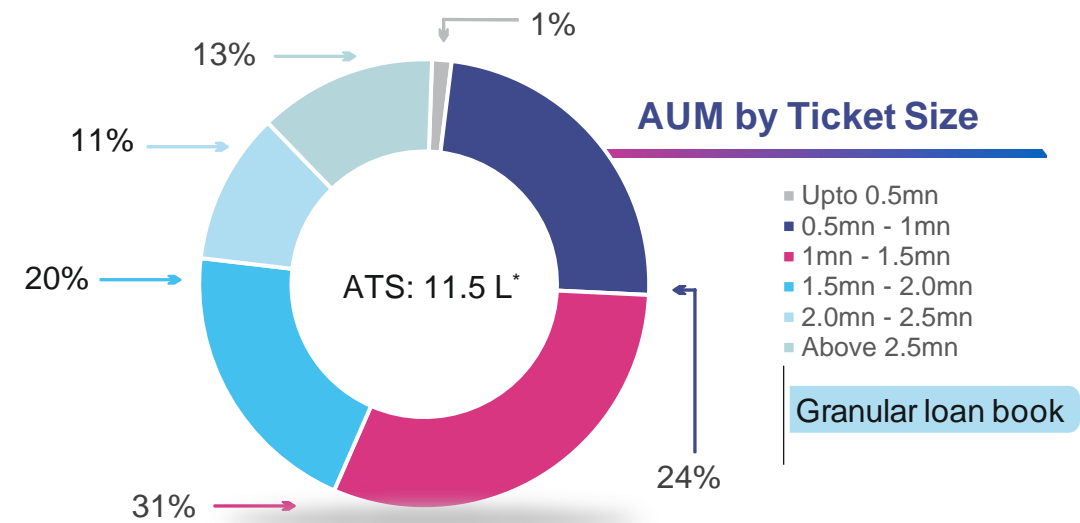
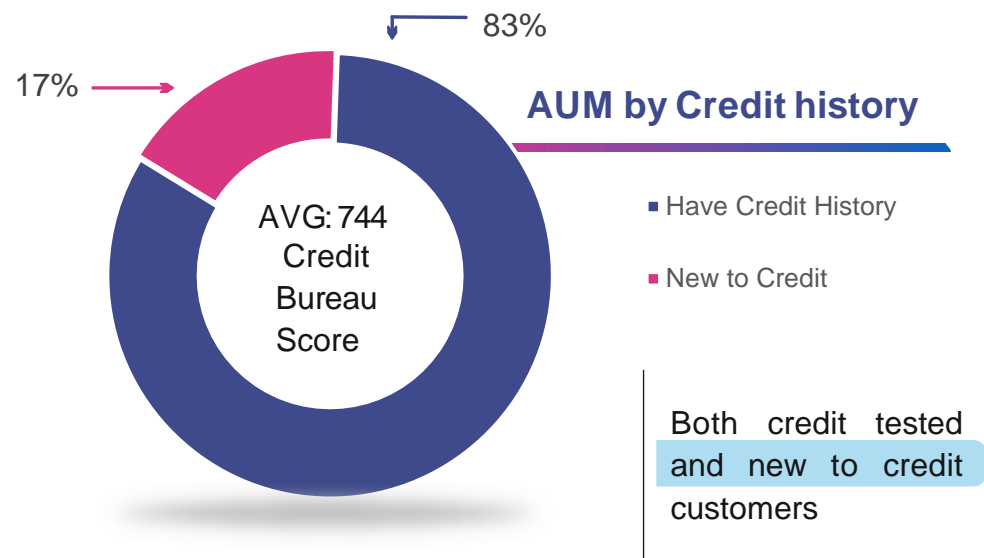
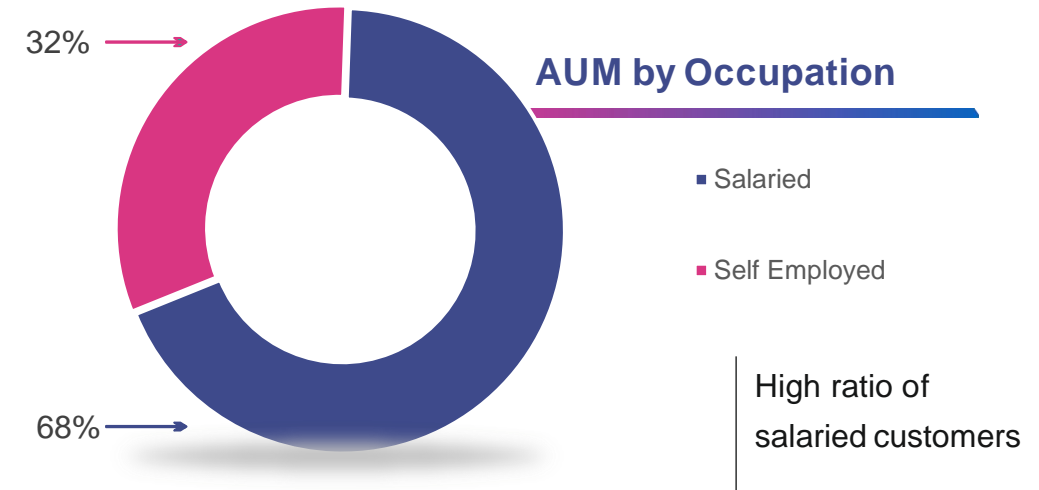
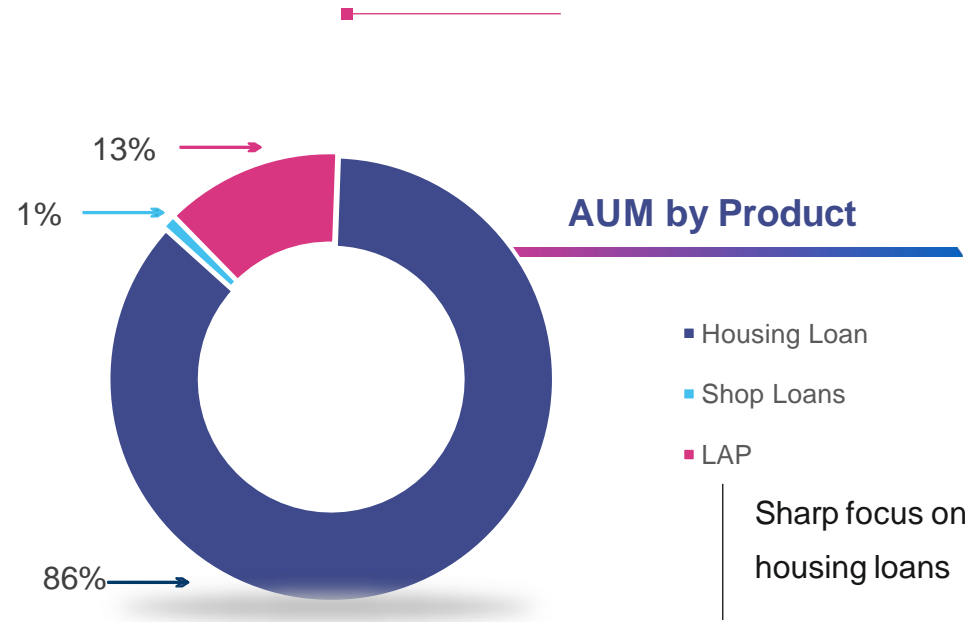
All time high disbursements

## Assets Under Management (₹ Crs)



34.7% growth y-o-y  
33% CAGR (3 Years FY21-FY24)

# Consistent Portfolio Matrix - Mar'24



All figures as of Mar'24

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

# Opportunity and Growth Drivers



# Multiple Macro Drivers

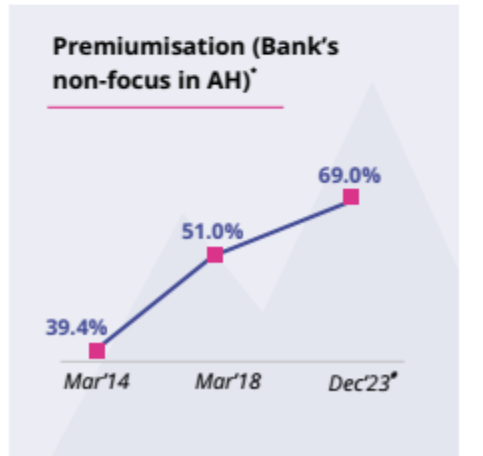
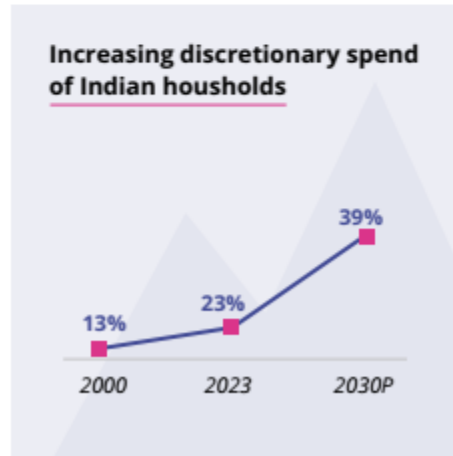
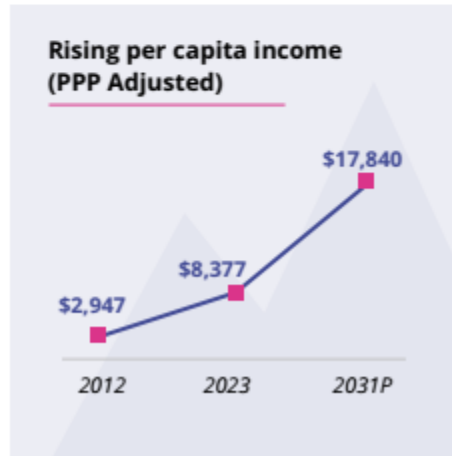
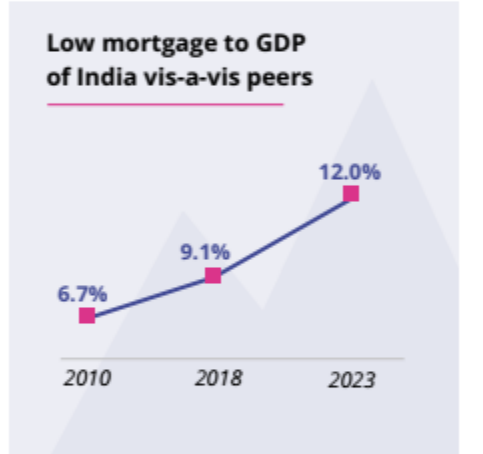
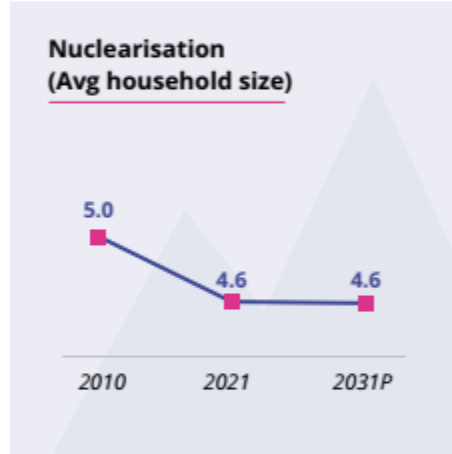
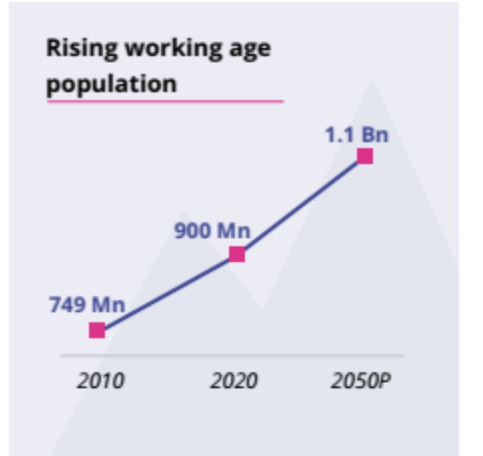
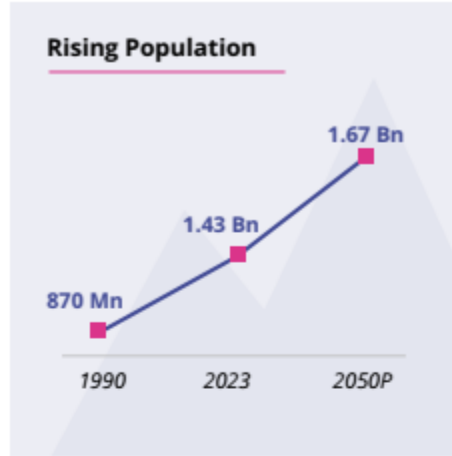
## Housing Loan Growth Drivers for HomeFirst

- Resilient Indian Economy**
  - Economy has weathered major disruptions (GST, Demon, IL&FS, etc).
  - Highest GDP growth expected amongst large economies.
  - Fiscally prudent macro finances, Leading to lower interest rates in future.
  - Regulatory compliance strengthening risk management & further strengthening compliant corporates like HomeFirst

**Improved affordability**  
 Only 3.0% price rise CAGR between Dec'18 & Dec'23  
 Source: RBI

**IndiaStack - a boon to tech led HF players**  
 Industry leading turnaround time - helps create brand

**Focused presence on large addressable markets**  
 Industry leading metrics on productivity & Market Share

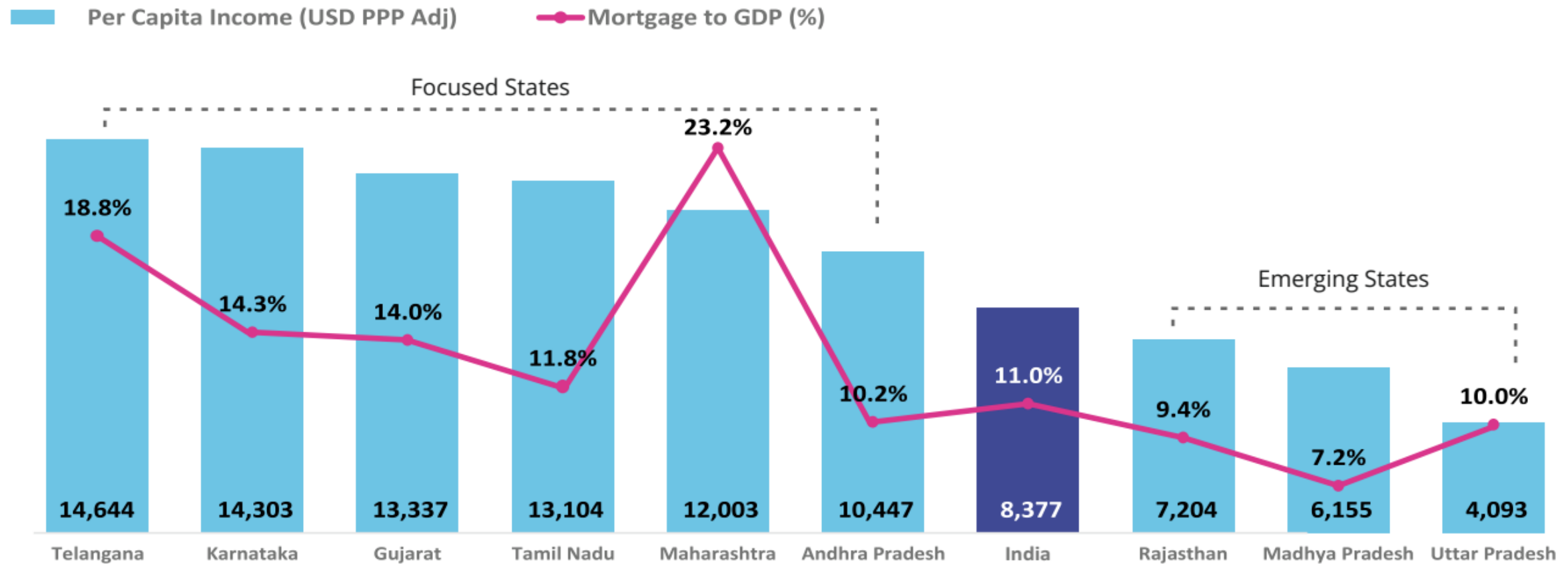


Source: RBI, IMF, KPMG, MOSPI, Internal Working

\*Banks share in ticket size above ₹25 Lakhs  
 #Includes HDFC Limited

# Per Capita Income & Low Mortgage Penetration presents huge opportunity

Focus states + Emerging States represents 80% of our Total Addressable Market (TAM) >>



# OUR STRATEGIC PRIORITIES

TECH IN MIND .....

SCALE AND GROWTH .....

OPERATIONAL EFFICIENCY .....

FUNDING .....

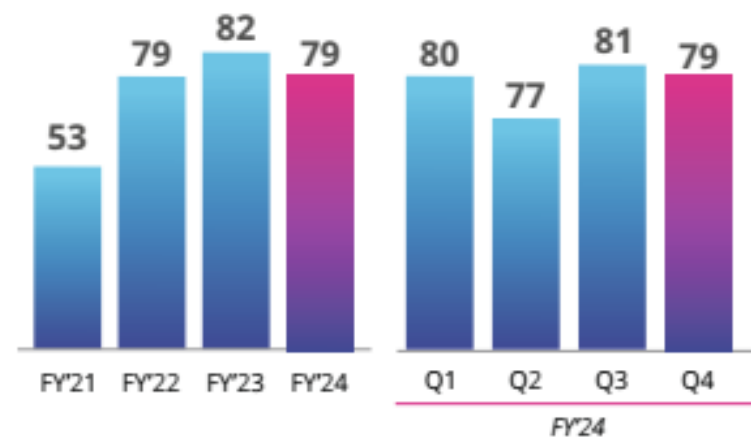
RISK MANAGEMENT .....

ESG .....

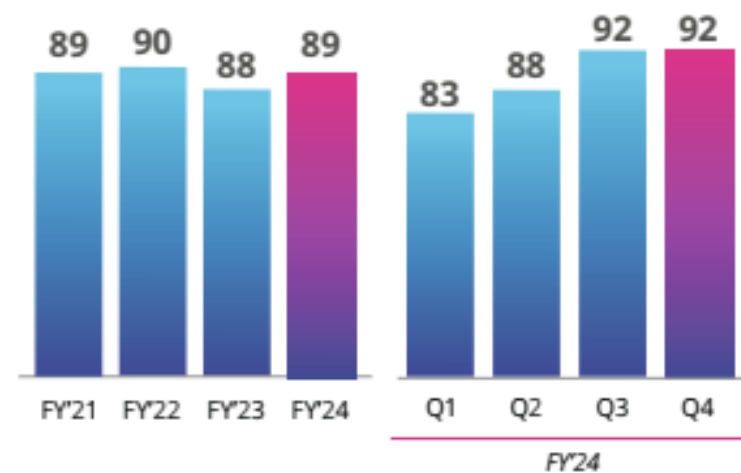
## Leverage Technology to drive business growth, improve operational efficiency and manage risk

- Tech is central to our strategic priorities.
- India's digital revolution has changed the lending industry and HomeFirst is at the forefront of this wave
- Technology goes into our processes, maintains transparency, and assists in underwriting.
- For efficiency and accuracy, internal processes are constantly being upgraded and automated.
- In our service and support towards our customers and channel partners, we have developed mobile applications for smooth communication. AI-driven interfaces and digital payment methods have made us faster and more accessible.

Customer NPS >>



Loans Approved within 48 hrs (in %) >>



Opex to asset (in %) >>





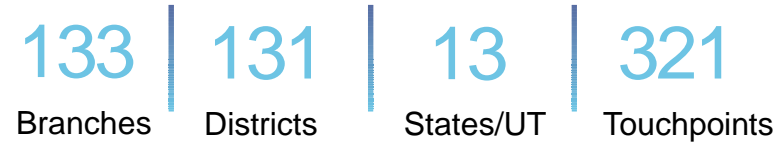
# Distribution Strategy

● 0 - 4   ● 4-7   ● 7 - 15

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

- Physical branches - 133
  - Proposed branches - 64
  - Digital branches - 124
- } 321 Touchpoints

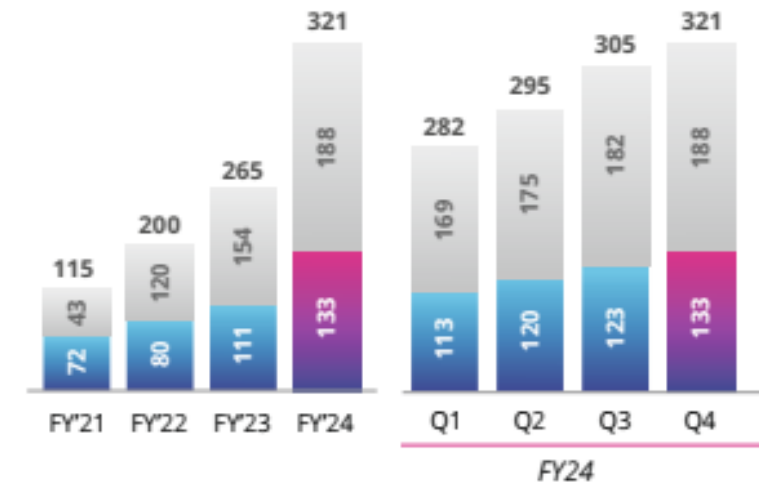
## Pan India Distribution driven by strategic market selection & contiguous expansion



- Business commenced in 22 new physical branches
- Increased presence in 12 new districts

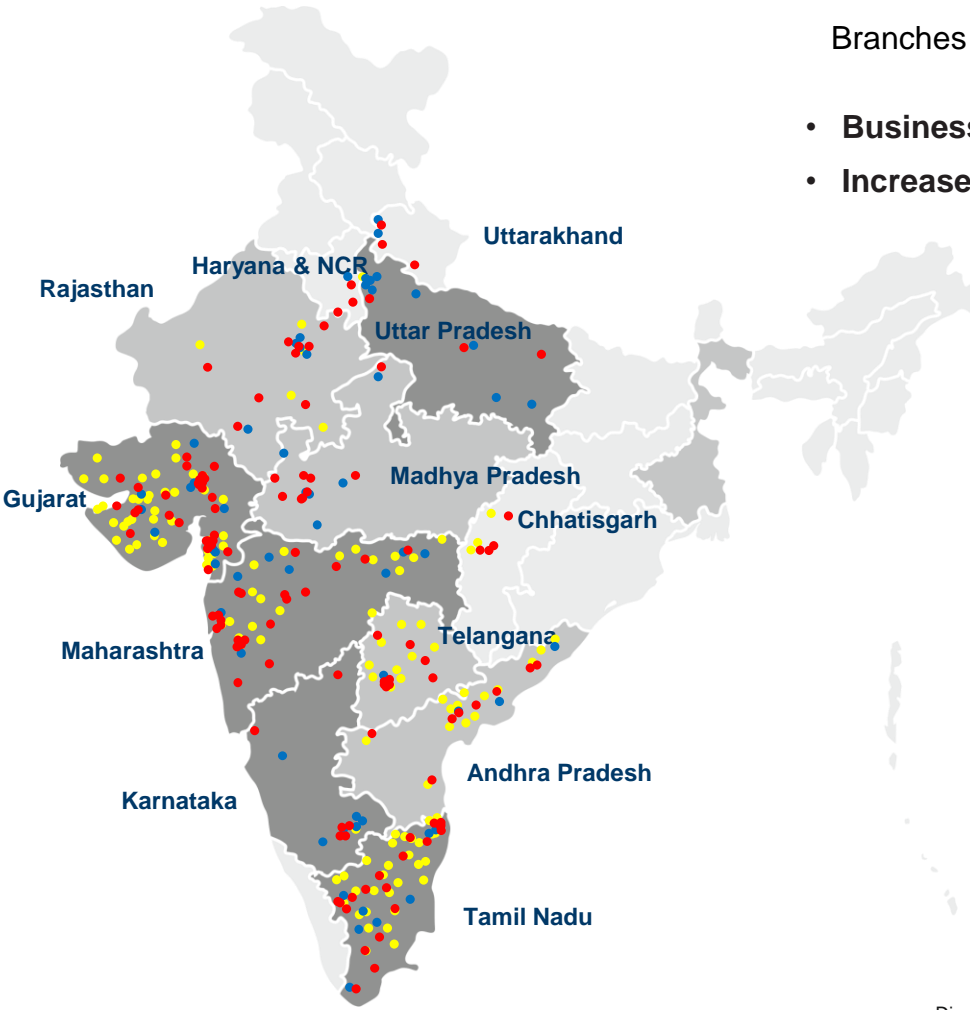
## Footprint >>

Physical Branches   Proposed and digital branches



### Distribution Strategy

- Go deeper in existing States. Use a high-density model that will allow us to scale our business with lower costs and increase our profitability.
- Focus on 3 more states i.e UP, Rajasthan and MP as new growth drivers.
- Existing States contribute ~76% of India's GDP and ~78% of AHF credit outstanding.



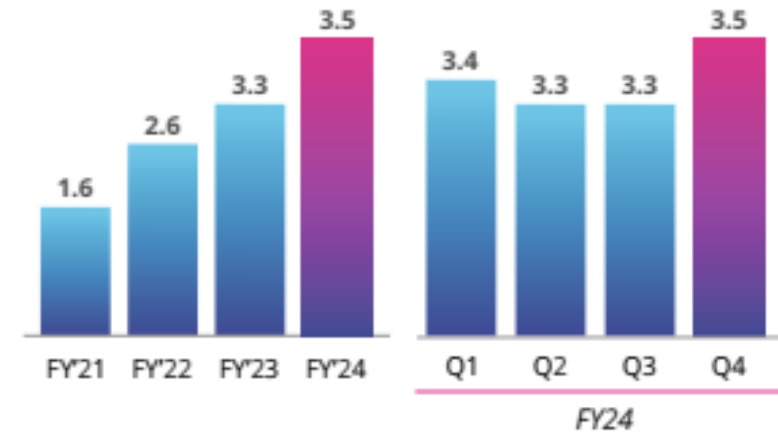
Note: Source for Contribution of states to India's GDP: NSO, MOSPI

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

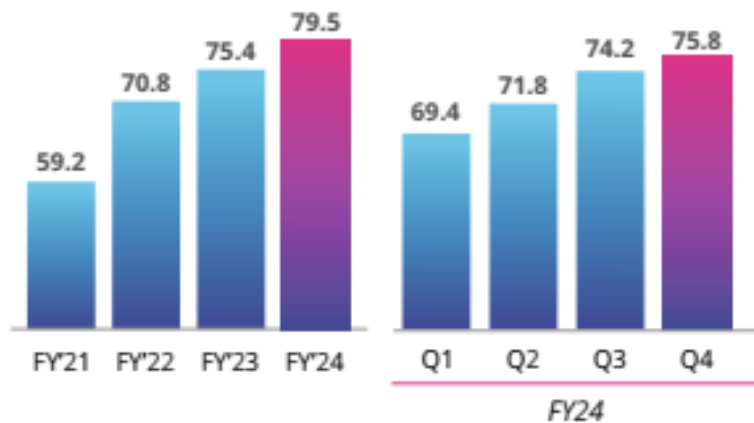
# Operation Efficiency

- Empower our employees through training, talent management and fast track growth for high performers to build a strong performance culture. Create an inclusive workplace with a diverse workforce.
- Automate manual activities and in turn focus on improving customer experience, connector management, business generation and collections.
- Optimize productivity at each branch / employee level by eliminating routine activities with active usage of technology.

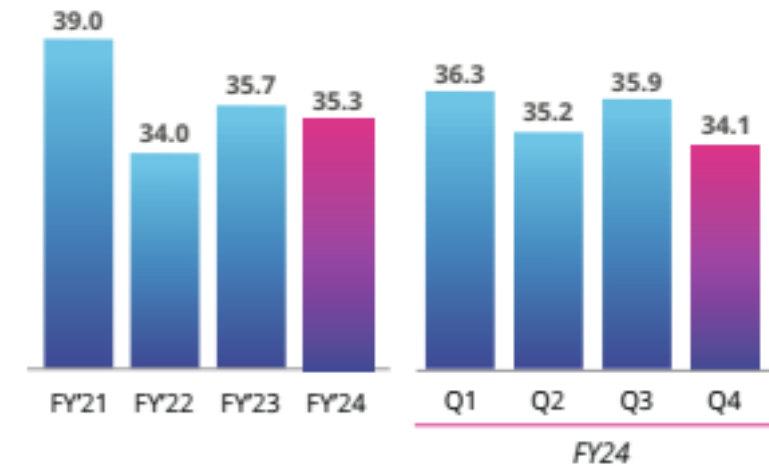
Disbursement / Employee (in ₹ Crs) >>



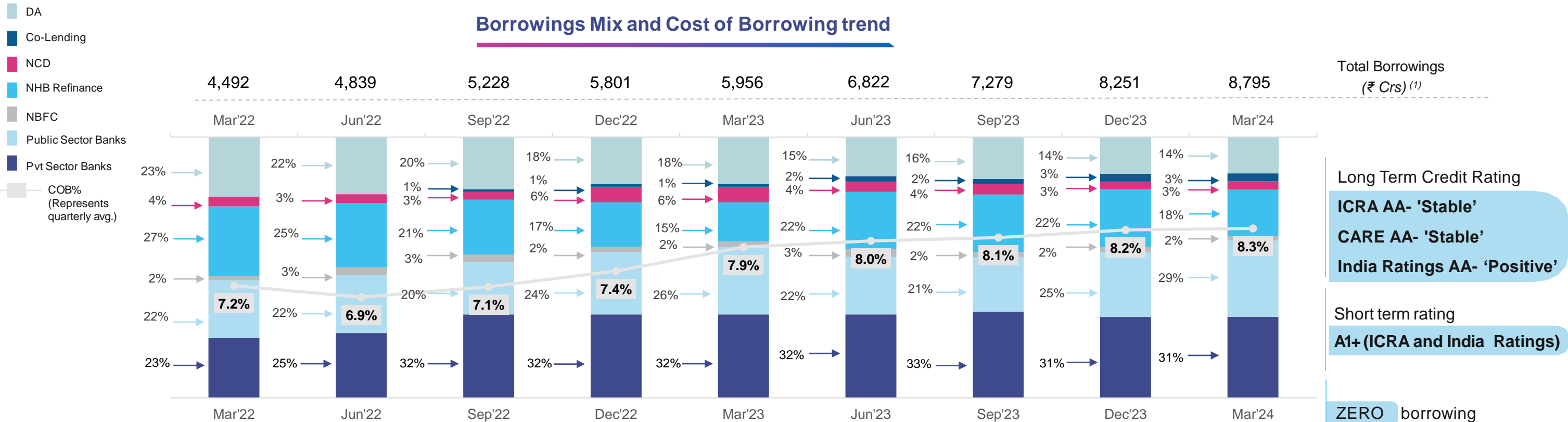
AUM / Branch (in ₹ Crs) >>



Cost to Income (in %) >>



# Diversified funding profile at competitive Cost of Borrowing



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

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

**ZERO** borrowing through commercial papers

## Our banking relationships

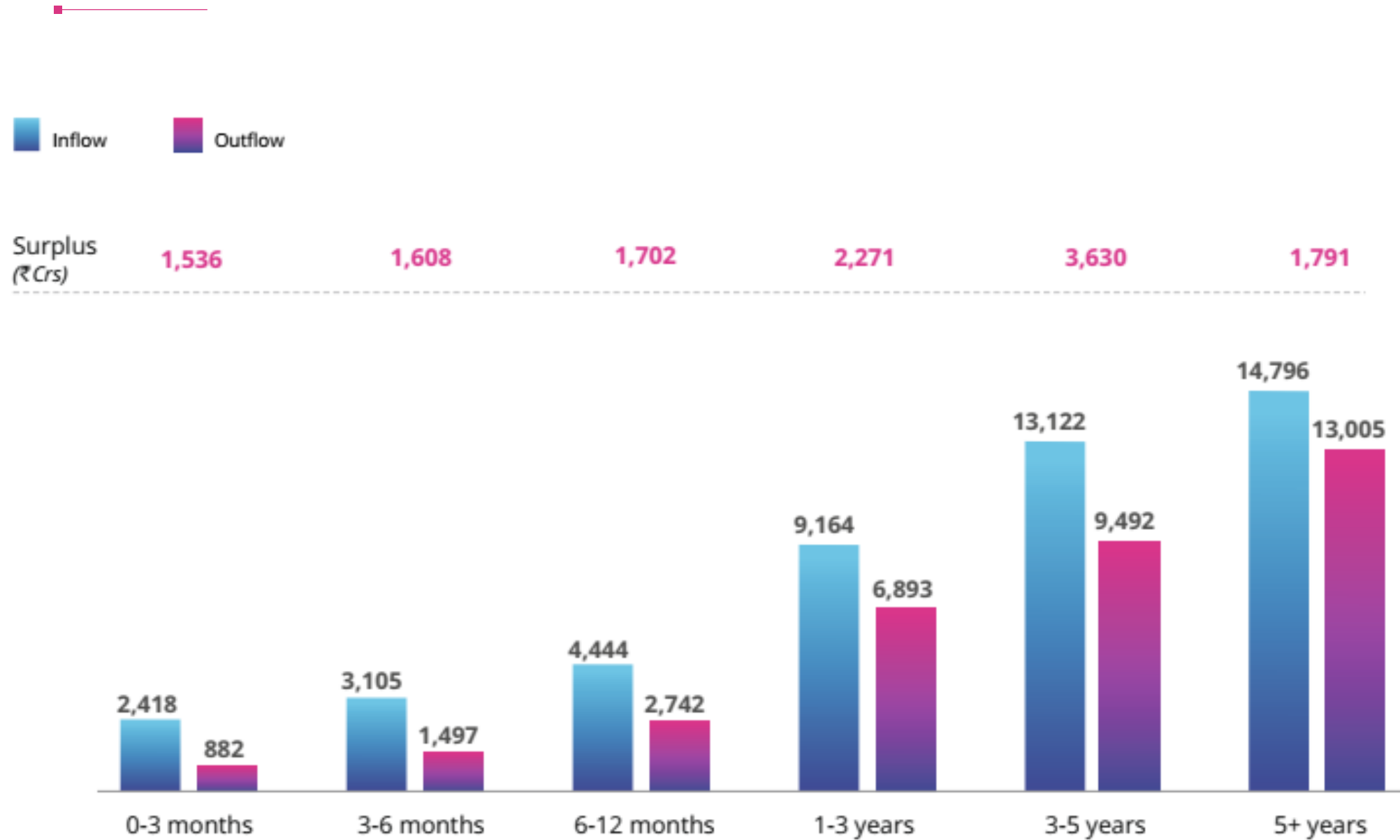
Public Sector Bank	State Bank of India	Central Bank of India	Union Bank	UCO Bank	Punjab National Bank	Private Sector Bank	HDFC Bank	ICICI Bank	Axis Bank	South Indian Bank	Karnataka Bank	J & K Bank	Karur Vyas Bank	DCB Bank	NBFC	Bajaj Finance
	IDBI Bank	Bank of India	Indian Bank	Punjab & Sind Bank	Federal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

**Diversified** banking relationships with **31** lending partners

Validation by NHB - Single largest lender with ₹ 1,569.6 Crs outstanding 20+ lines  
 ₹ 280 Crs NCD investment by IFC – a step towards sustainability and green financing

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

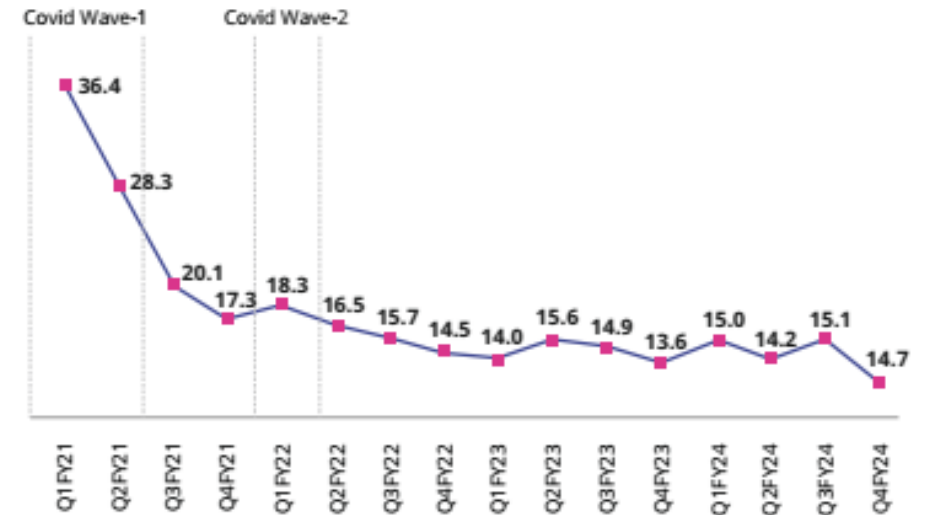
# Positive ALM Profile



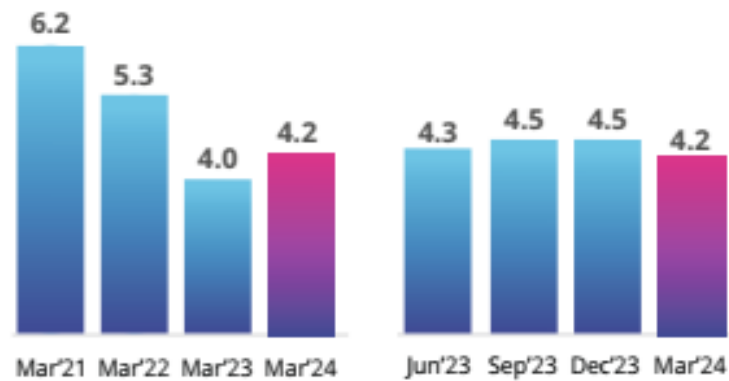
## Strengthen the Risk Management Framework

- Our growth priorities and aspirations are underpinned by a sound risk mitigation strategy, held together by a 360 degree risk management framework.
- As we scale our operations and expand our reach, we will continue to invest on enhancing our risk management practices and build robust compliance and monitoring systems.

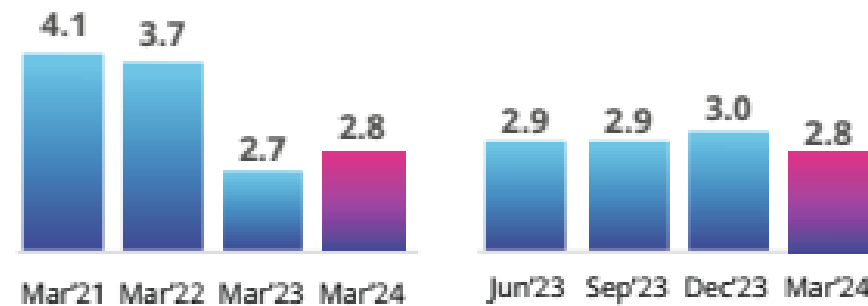
### Bounce Rates (in %) >>



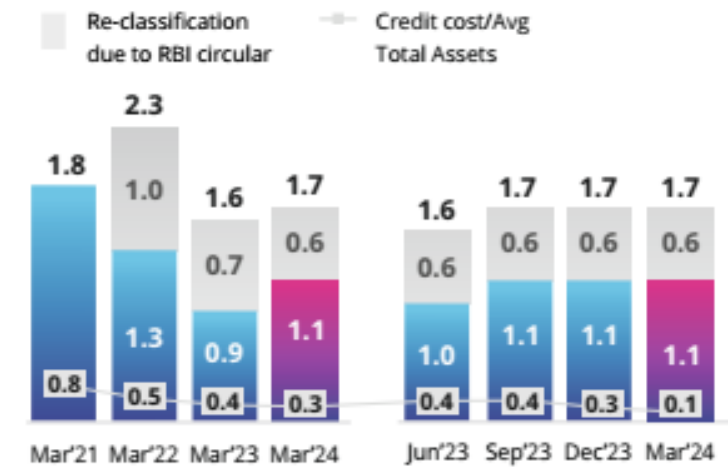
### 1+DPD (in %) >>



### 30+ DPD (in %) >>



### 90+ DPD & Credit cost/Avg Total Assets (in %) >>



## Strengthen our Environment, Social and Governance (ESG) practices.

- We have been a socially inclusive organization by design – our business model is built on the vision of shaping the future of financing homes and empowering people to live better – and we do so by ***lending to the underserved segments***.
- ***Strong governance has been the backbone*** of our growth since the start of the journey.
  - Higher representation of Independent Directors in Board and every board committee.
  - Strong 5-tier corporate governance framework in place for effective risk management.
- We are a ***paperless organization*** in our processes right from the beginning and have been focusing on using tech solutions to reduce paper across all our stakeholders.
- S&P Global ESG assigned score of 34 to HomeFirst. MorningStar’s Sustainalytics maintained ***industry leading ESG Risk Score of 16.2*** (Low Risk category).



For details, request you to please visit the Sustainability section of FY24 Integrated Annual Report [Link](#)

# Outcome of Strategic Priorities – HomeFirst’s Readiness for the Next Phase

## Strategic Priorities

- **Technology Edge**
  - Proprietary tech stack
  - Inhouse engineering team
- **Scalable Operating Model**
  - Presence in large AHF markets
  - Diversified distribution across 13 States
- **Operational Efficiency**
  - Connector led distribution
  - Centralized underwriting
- **Strong Liability Management**
  - No short term borrowing
  - Improve credit rating
- **Risk Management**
  - Data driven processes, Management and Culture
  - Deep knowledge of customer segment and properties
- **Focus on ESG**
  - Strong Board and Governance
  - Transparent and ethical practices



## Outcome

## Leading to

- **Differentiated Offering in market**
- **Growth & Market Share gains**
- **Productivity, Cost leadership**
- **Robust ALM, Diverse Sources**
- **Low delinquency and credit losses**
- **Building a trust-worthy organization**

# **Distinguished Board & Experienced Management Team**





# Distinguished Board of Directors

## Independent Directors



**Deepak Satwalekar**

**Current:** Independent Director at Wipro

**Past:** MD of HDFC Ltd. and MD & CEO of HDFC Life Insurance Company Ltd.



**Geeta Dutta Goel**

**Current:** Managing Director at Dell Foundation, Independent Director at Equitas SFB

**Past:** Independent Director at Ujjivan Financial Services, Jana SFB and others



**Anuj Srivastava**

**Current:** Founder and CEO of Livspace

**Past:** Google (Google Wallet, Google AdSense, Google Local, Google Adwords)



**Sucharita Mukherjee**

**Current:** Founder and CEO of Kaleidofin

**Past:** Co-founded- Dvara group, Co-founded- Northern Arc Capital, Investment banker at Morgan Stanley & Deutsche Bank



**Divya Sehgal**

**Current:** Partner at True North

**Past:** McKinsey & Company, ANZ Grindlays Bank, Co-founded E- Medlife.com



**Maninder Singh Juneja**

**Current:** Partner at True North

**Past:** ICICI Bank, Godrej GE Appliances Limited, SRF Finance Limited and others



**Narendra Ostawal**

**Current:** Head of India Private Equity, Warburg Pincus

**Past:** 3 i India Private Limited, McKinsey & Company



**Manoj Viswanathan**

**Current:** Founder & MD and CEO HomeFirst

**Past:** Asian Paints Limited, Citibank, CitiFinancial Consumer Finance India Limited

# Experienced Management Team



**14** **26**

**Manoj Viswanathan**

Chief Executive Officer

**Education:** B-Tech BITS, Pilani and PGDM XLRI  
**Experience:** Asian Paints, Citibank, CitiFinancial Consumer Finance India Limited



**12** **24**

**Ajay Khetan**

Chief Business Officer

**Education:** NIT Allahabad and PGDM XIM-B  
**Experience:** Citibank, Macquarie Finance (India), Hewlett Packard Financial Services (India)



**13** **21**

**Gaurav Mohta**

Chief Marketing Officer

**Education:** B-Tech Nagpur University and MBA ICFAI Business School  
**Experience:** Kotak Mahindra Bank, Citibank



**9** **21**

**Vilasini Subramaniam**

Head - Strategic Alliances

**Education:** Chartered accountant  
**Experience:** Micro Housing Finance Corporation, Janalakshmi Financial Services, Citibank.



**5** **17**

**Nutan Gaba Patwari**

Chief Financial Officer

**Education:** B Com: Goenka College, Chartered Accountant  
**Experience:** True North, Hindustan Unilever Limited, ITC Limited, Philip Morris Asia Limited



**5** **18**

**Ramakrishna Vyamajala**

Chief Human Resource Officer

**Education:** B Tech and PGDM T.A. Pai Management Institute  
**Experience:** IDFC Bank , Sterlite Technologies Limited



**2** **19**

**Ashishkumar Darji**

Chief Risk Officer

**Education:** Chartered Accountant  
**Experience:** KPMG, State Bank of India, Kotak Securities



**6** **22**

**Arunchandra Jupalli**

Business Head - South

**Education:** Master's degree in business studies, Bharati Vidyapeeth  
**Experience:** Karvy Financial Services, Atlantic Duncans International (P) Limited



**New** **26**

**Rupesh Mehta**

Head of Technology

**Education:** B.E (Electronics) and MBA, Welingkar Institute of Management  
**Experience:** Fidelity Investments, Bankbazaar



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**Abhijeet Jamkhindikar**

Business Head - Maharashtra

**Education:** Civil Engineering Nagpur University  
**Experience:** C-Net Solutions India Private Limited, HDFC Ltd

■ Years at HomeFirst ■ Total years of experience

# Thank You

For further information, please contact

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CIN: L65990MH2010PLC240703