

## Q3 FY21 Investor Update



## LICHFL: A Journey of 31 Years...

Best HFC by ABP News2014



•Crossed Rs. 1000 cr profit & Rs 75,000 Cr assets

2013

2012

- Best HFC by CNBC TV 18
- Construction Industry Award

2011

Crossed Rs. 50,000 Cr loan portfolio

2009

Crossed Rs. 500 crs profit

2004

**GDR** Issue

2002

**AAA** Rating

1994

IPO

1989 Incorporated



#### 2019

- •Voted as the 'Brand of the Decade 2019' by BARC Asia
- •Crossed 2,00,000 Cr in Assets
- NSE for Best Issuer on EBP

2015

•Crosses Rs 1 lakh cr in portfolio

•Best Housing Finance Co. by BFSI Awards

Best data quality in HFC

by CIBIL

2016

Business Today-Best CEO Award

Business World

Most Respected Co Award

Outlook Money-Best

HFC

•Best HFC by ABP

News

•Best Data Quality by

**CIBIL** 

Asia Pacific

Entrepreneurship

**Award** 

Power Brands

Awards by Franchise

India

#### 2017

- •Crosses 150,000 cr in assets
- Outlook Money-Best HFC
- •Business Today BFSI Best CEO
- NSE for highest Debt Issuance



### Executive Summary – Q3/FY21

- Q3 FY21 PAT at Rs.727.04 cr as against Rs 597.53 cr for Q3FY20, up 22%
- Q3 FY21 Revenue from operations Rs. 4907 Cr as against Rs 4996 cr
- Outstanding Loan portfolio up by 6% to Rs.220197 as against Rs.208270 cr
  - Individual Loan Portfolio Rs. 204444 as against Rs. 194004 cr
- Individual Home Loan Disbursements Rs. 14511 cr against Rs 10655 cr, up by 36%
  - Q3FY21 Total Disbursements Rs. 16857 cr against Rs 13177 cr up by 28%
- Net Interest Income Rs. 1281 cr against Rs 1254 cr
- Net Interest Margins 2.36 % for Q3 FY21
- Stage 3 EAD at 2.68 % as against 2.73% as on 31.12.2019



#### **Impact of Covid 19**

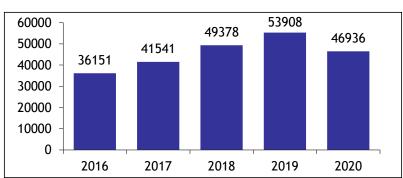
- All the offices of the Company has been fully resumed and carrying on their business operations following guidelines issued by respective authorities including safety & hygiene norms and social distancing.
- Collection efficiency for December 2020 stood at 98%.
- Total ECL provision stood at Rs. 2948.05 Cr as on 31.12.2020.
  - Covid-19 related provision stood at Rs.212.01 Cr as on 31.12.2020.
  - Provisions for impairment stood at Rs. 186.53 Cr as on 31.12.2020.

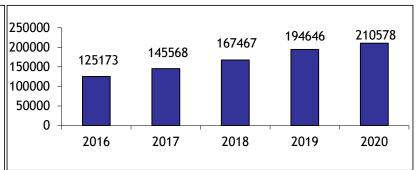


#### Update - last 5 years

#### Disbursement (Rs. Cr) CAGR 7%

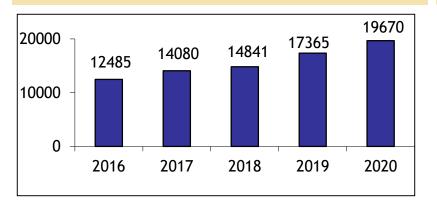
#### Loan Portfolio (Rs.cr) CAGR 14%

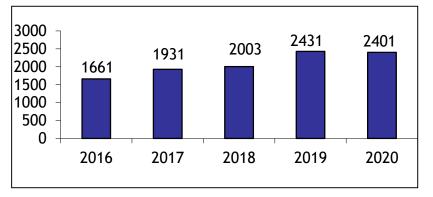




#### Income (Rs. cr) CAGR 12%

#### Profit After Tax (Rs. cr) CAGR 15%

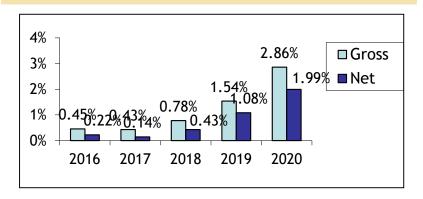




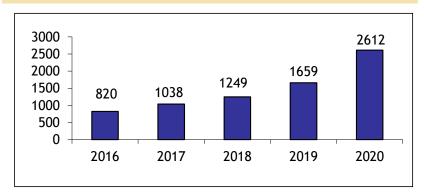


#### **Update – last 5 years**

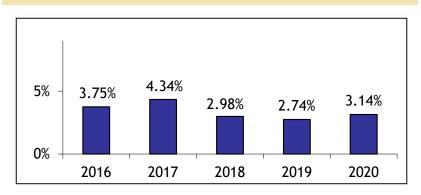
#### **Gross & Net NPAs**



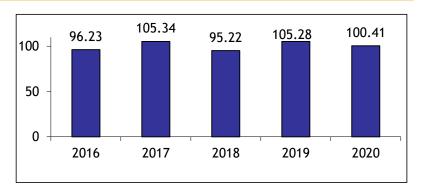
#### Total Provisions\* (Rs cr)



#### Operating Expense to Total Income



#### Profit per employee (Rs. lacs)

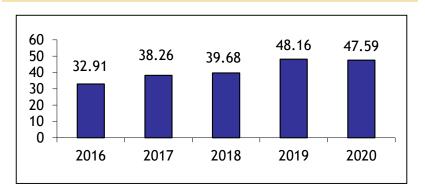


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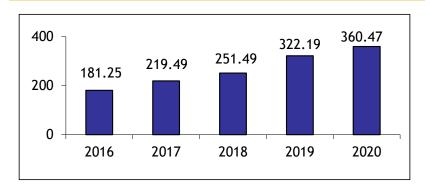


#### **Update – last 5 years**

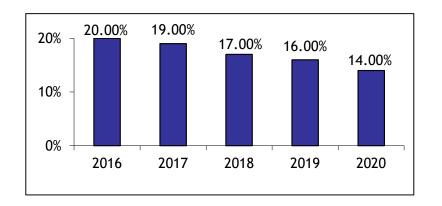
#### EPS (Rs) (Rs 2/- pd up)



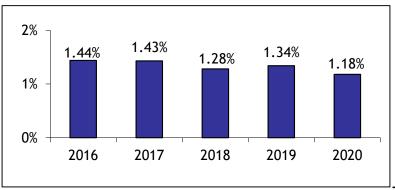
#### Book Value (Rs)(Rs 2/- pd up)



#### **Return on Avg Equity**



#### Return on Avg Loan Assets





## Large geographic presence



Thanjavur

Tirumangalam

Ernakulam Kottayam O

Nagercoil

- 9 Regional Offices
- 24 Back Offices
- 282 Marketing Offices
- Rep offices in Dubai & Kuwait
- Coverage of more than 450 centres
- 2361 Employees

#### Widening footprint...improved efficiencies

Year	No of Marketing Offices	No of Back offices	No of Regional Offices	No of Employees	Lon Portfolio Rs cr
2003	105	-	6	870	7772
2008	125	14	6	985	21936
2013	194	16	7	1446	77812
2020	282	24	9	2392	210578



#### Distribution Network

HOME LOAN AGENTS (HLAs)
(Agents of LIC)

DIRECT SALES AGENTS (DSAs)
(Small Firms/Companies etc)

CUSTOMER RELATIONS
ASSOCIATES (CRAs)
(Individual Agents of the Company)

44 branches of LICHFL Financial Services (100% subsidiary of LICHFL)

DIRECT MARKETING EXECUTIVES

(Captive Marketing Channel)

282

**Marketing Offices** 

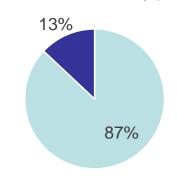
**New Marketing Channel** 

\*Online Loan approvals during 9M FY21 were Rs.1867 Cr



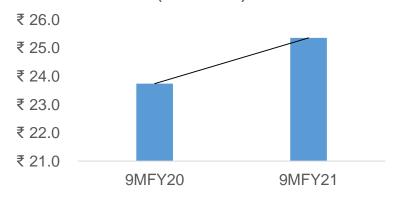
# Origination Pattern & Average Ticket Size

#### **Customer Type**

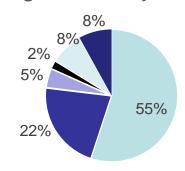


■ Salaried ■ Self Employed

## Incremental Ticket Size (Rs lacs)

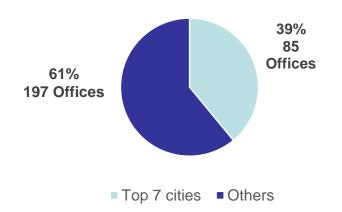


#### Originations by source



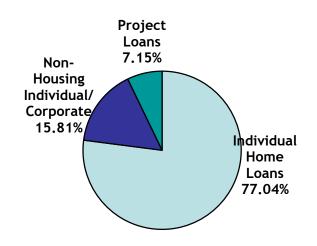
■HLA ■DSA ■CRA ■DIRECT ■DME ■LICHFLFSL

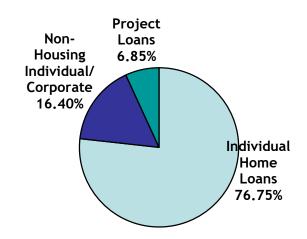
#### Top 7 cities & Others





## **Loan Book Composition**





**31.12.2020**O/s Portfolio Rs. 220197 cr

**31.12.2019**O/s Portfolio Rs. 208270 cr



## Individual Loans – Portfolio Stats

Pure Floating Rate Loans			
To Outstanding Portfolio			
As of FY 19 93%			
As of FY 20	92%		
As of 9MFY21	94%		

Loan To Value Ratio On Incremental Sanctions			
For FY 19 46%			
For FY 20	49%		
For 9MFY21 46%			

Prepayment				
Lump Sum/ opening book				
For FY 19 10.2%				
For FY 20	10.1%			
For 9MFY21	10.4%			

Installment to Net Income Ratio				
On Incremental Sanctions				
For FY 19 32.00%				
For FY 20	31.00%			
For 9MFY21 30.00%				



## Financial Highlights- Q3FY21

	9M FY2021	9M FY 2020	
Return on Average Equity (%)	16%	15%	
Return on Average Assets (%)	1.45%	1.32%	
Earnings per share (on Rs 2 pd up)	46.28	39.24	
Capital Adequacy Ratio	Sept 2020	Sept 2019	
Tier I	13.07	12.49	
Tier II	1.43	1.88	
Total	14.49	14.37	



## **Executive Summary-Q3/9MFY21**

	Var	Q3 FY21 (Rs. Cr)	Q3 FY20 (Rs. Cr)	Var	9M FY21 (Rs. Cr)	9M FY20 (Rs. Cr)
Revenue from Operations	-2%	4906.72	4996.46	1%	14879.46	14776.52
Finance cost	-3%	3595.05	3715.23	0.4%	11059.71	11019.63
Net Interest Income	2%	1281.02	1253.68	1%	3739.60	3687.25
Impairment on Financial Instruments and Net Loss on De-recognition of Financial Instruments	-52%	190.67	397.65	-61%	360.22	932.99
Profit before Tax	30%	969.64	745.32	23%	2996.57	2442.27
Tax Expense	64%	242.60	147.79	43%	661.15	461.86
Net Profit	22%	727.04	597.53	18%	2335.42	<b>1980.41</b>



## **Executive Summary-Q3/9MFY21**

	Var	Q3 FY21	Q3 FY20	Var	9M FY21	9M FY20
Disbursements						
Individual	31%	16005	12246	-7%	31045	33406
Project	-8%	852	931	-18%	1815	2205
<u>Total</u>	28%	16857	13177	-8%	32860	35611
Outstanding Portfolio						
Individual	5%	204444	194004			
Project	10%	15753	14266			
<u>Total</u>	6%	220197	208270			
Weighted average cost of funds		<u> </u>			7.25%	8.22%
Yield on advances annualised					9.51%	10.25%
Spreads					2.26%	2.03%

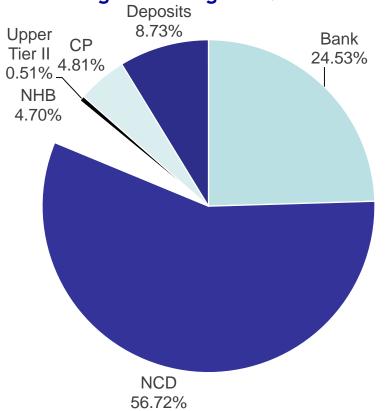


## **Liability Profile**

as on 31.12.2020

Source	Wtd Avg Cost (%)	
<b>Banks &amp; Institutions</b>	6.15%	
National Housing Bank	6.23%	
Non Convertible Debenture	8.02%	
Upper Tier II	7.05%	
Commercial Paper	4.73%	
Deposits	7.25%	
Total	7.25%	

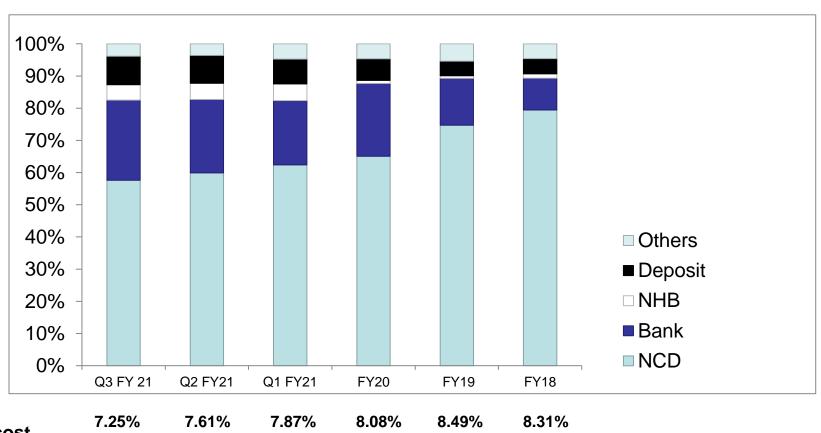
#### Outstanding Borrowings - Rs. 195534 cr



During Q3FY21, Incremental Borrowings were @ 5.25%



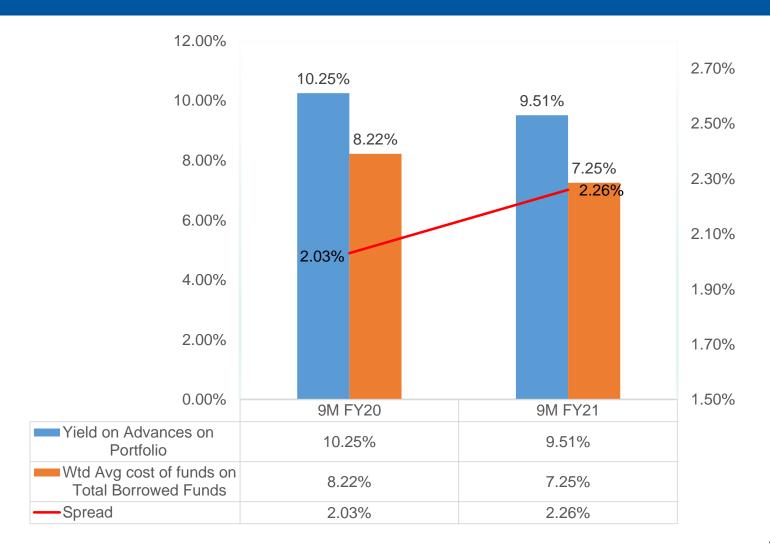
## Change in Liability Mix- last 3 yrs



Wtd. Avg. cost of Funds

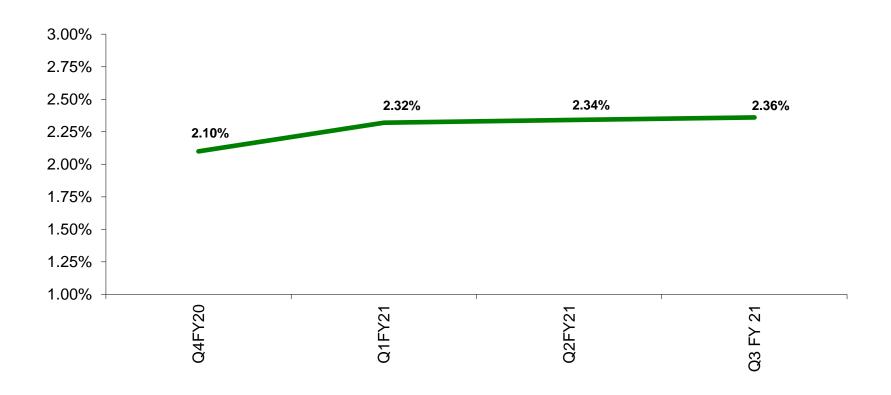


## Yield & Cost of Funds on portfolio





## NIMs





## Classification of Assets

Exposure At Default %	December-20	December-19
Stage 1	90.37%	91.55%
Stage 2	6.95%	5.72%
Stage 3	2.68%	2.73%
Total	100%	100%
ECL Provision	December-20	December-19
Stage 1	Rs. 1.58 Cr	Rs. 0.02 Cr
Stage 2	Rs. 0.07 Cr	Rs. 33.11 Cr
Stage 3	Rs. 2946.40 Cr	Rs. 2551.59 Cr



## Thank you

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