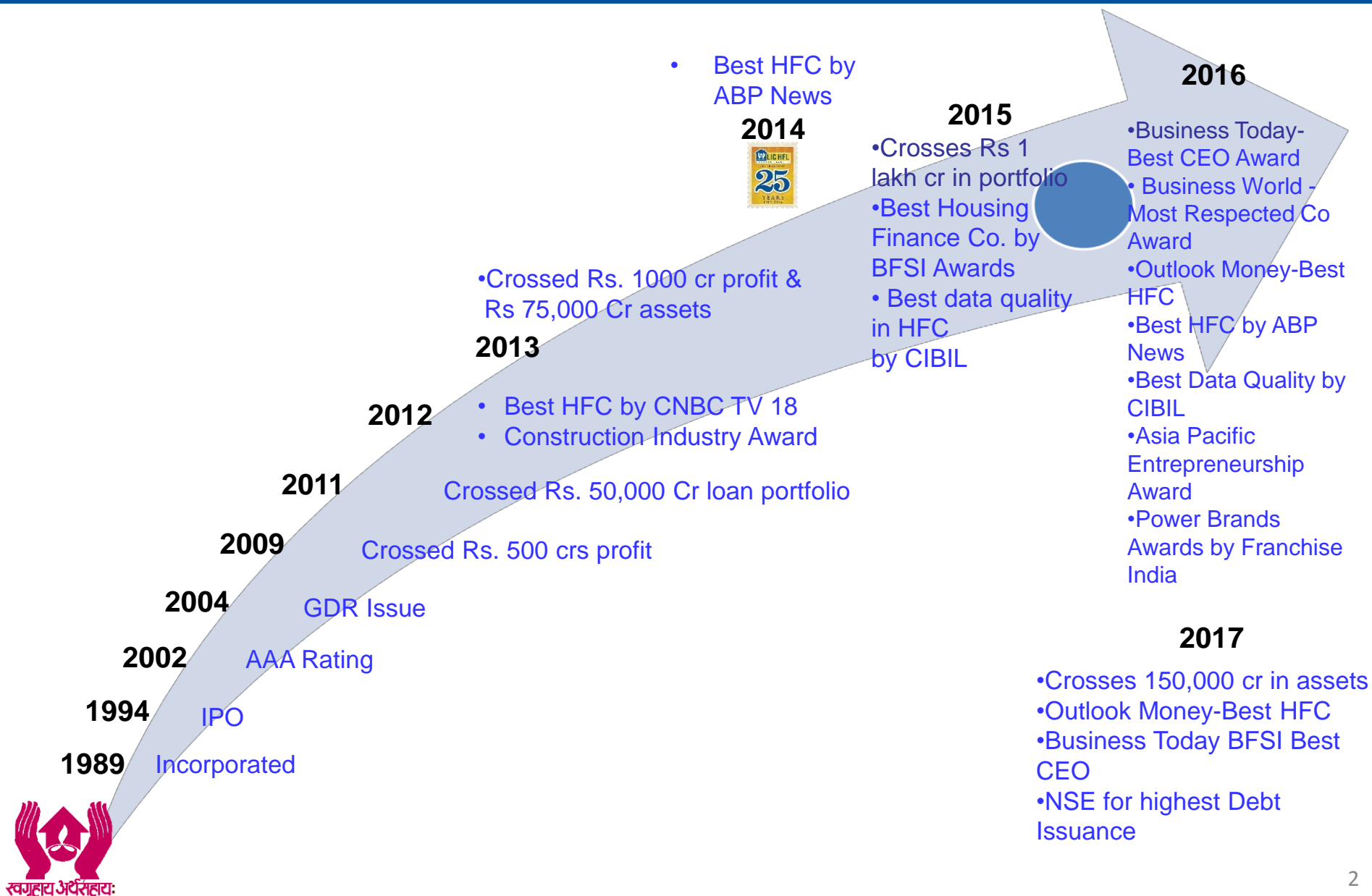


Q1 FY19 Investor Update

LICHFL: A Journey of 29 Years...

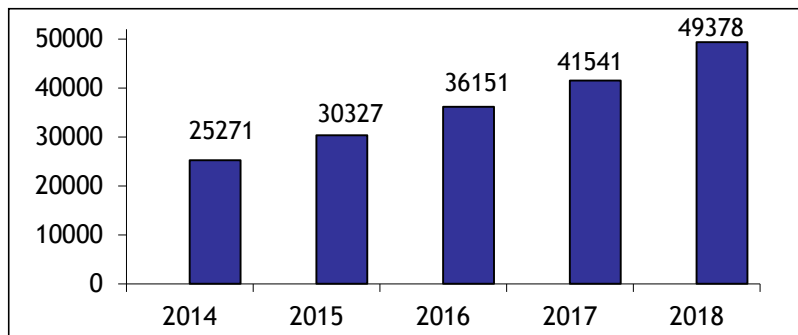


Executive Summary – Q1/FY19

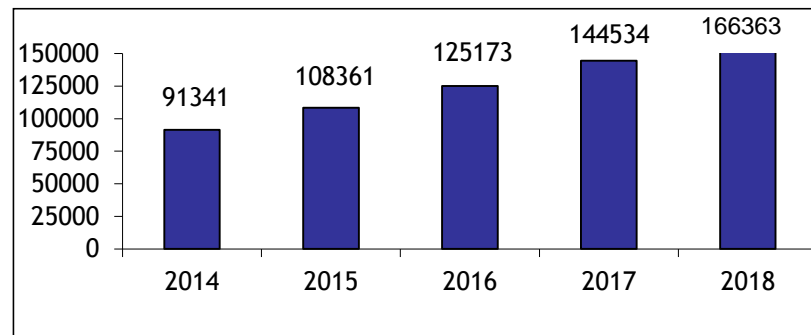
- Q1 FY19 PAT at Rs 567.94 cr as against Rs 479.65 cr up 18 %
- Q1 FY19 Revenue from operations up by 11% to Rs 4019 cr
- Outstanding Loan portfolio up by 15% to Rs. 168652cr
 - Individual Loan Portfolio up by 13% to Rs.160266 cr
- Q1FY19 Disbursements Rs. 9594 cr against Rs. 8699cr a growth of 10%
 - Individual Loan Disbursements Rs.8704 cr against Rs.8286 cr
- Net Interest Income Rs . 980.03 cr up by 6.60%
- Net Interest Margins 2.34 % for Q1 FY19 as against 2.52 % for Q1FY18
- **Gross NPAs at 1.21% as against 0.72% as on 30.6.2017**
 - Individual Loans Gross NPAs at 0.81%

Update – last 5 years

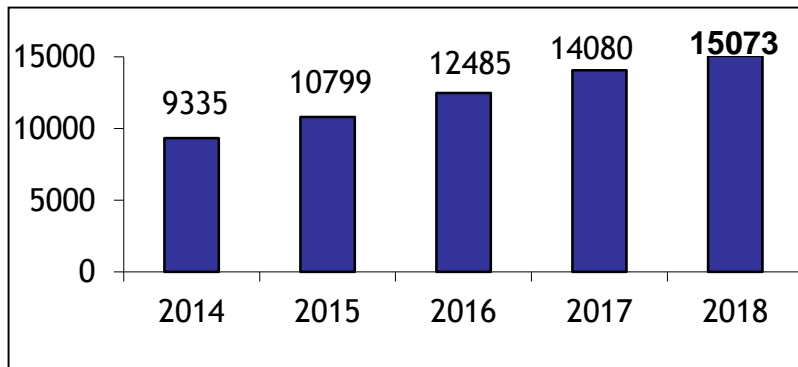
Disbursement (Rs. Cr) CAGR 18%



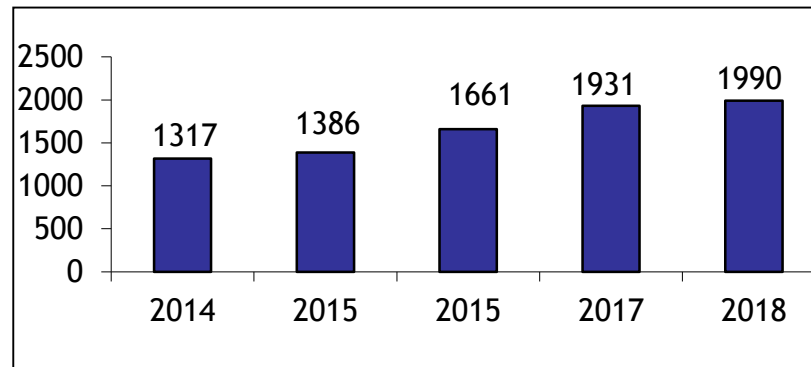
Loan Portfolio (Rs.cr) CAGR 16%



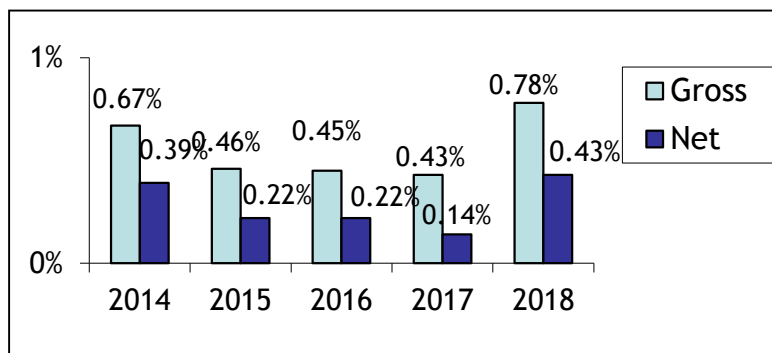
Income (Rs. cr) CAGR 13%



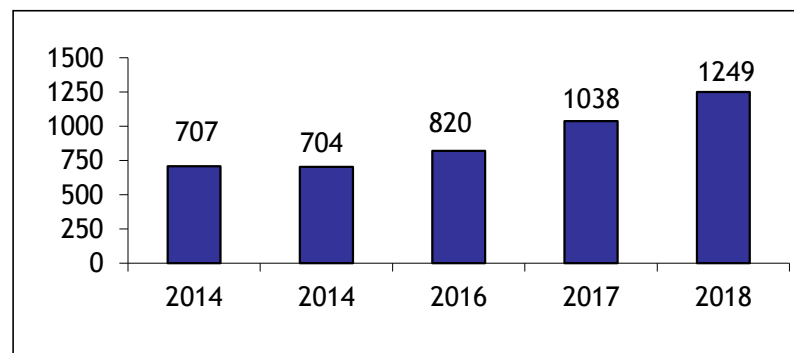
Profit After Tax (Rs. cr) CAGR 11%



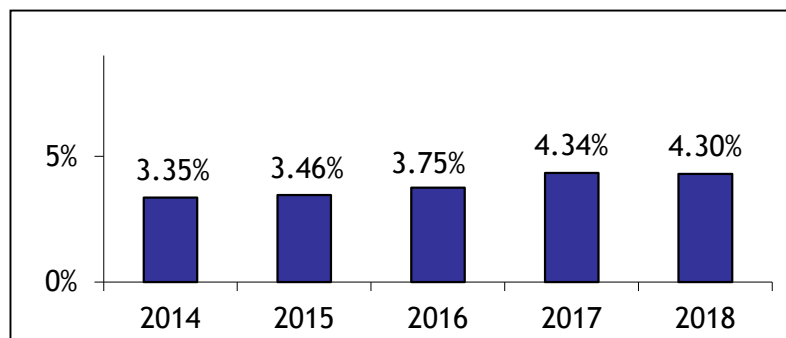
Gross & Net NPAs



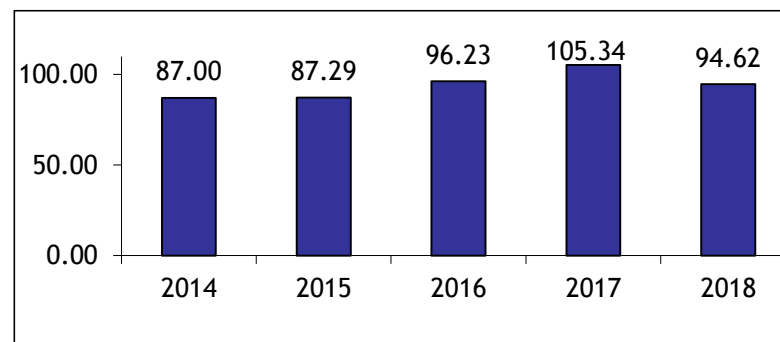
Total Provisions* (Rs cr)



Operating Expense to Total Income



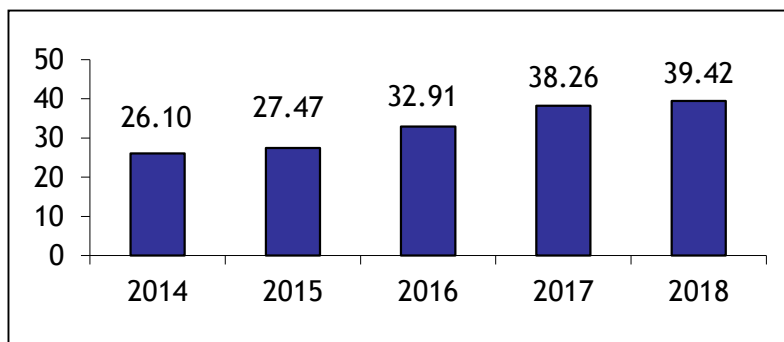
Profit per employee (Rs. lacs)



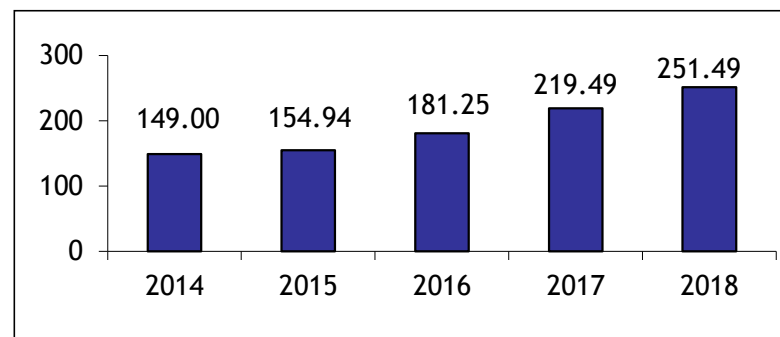
* Provisions Including Provisions on Std. Assets

Update – last 5 years

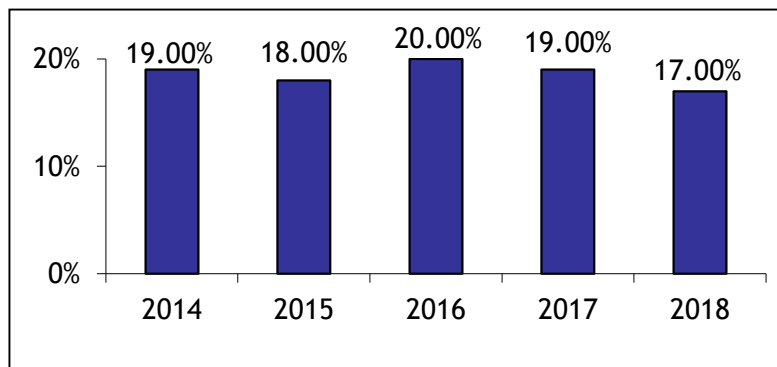
EPS (Rs) (Rs 2/- pd up)



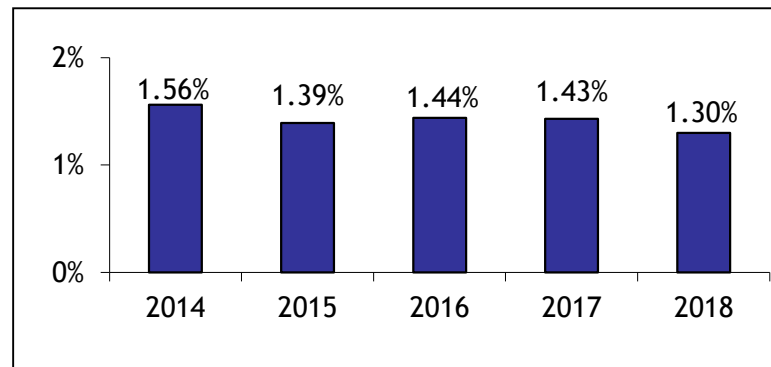
Book Value (Rs)(Rs 2/- pd up)



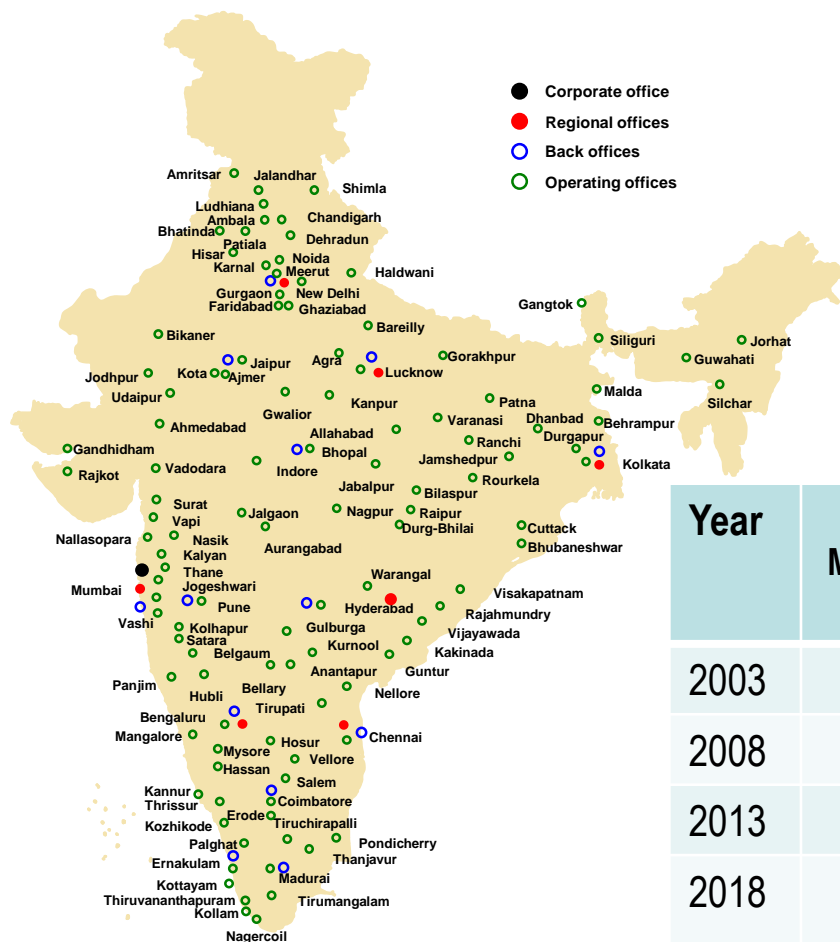
Return on Avg Equity



Return on Avg Loan Assets



Large geographic presence

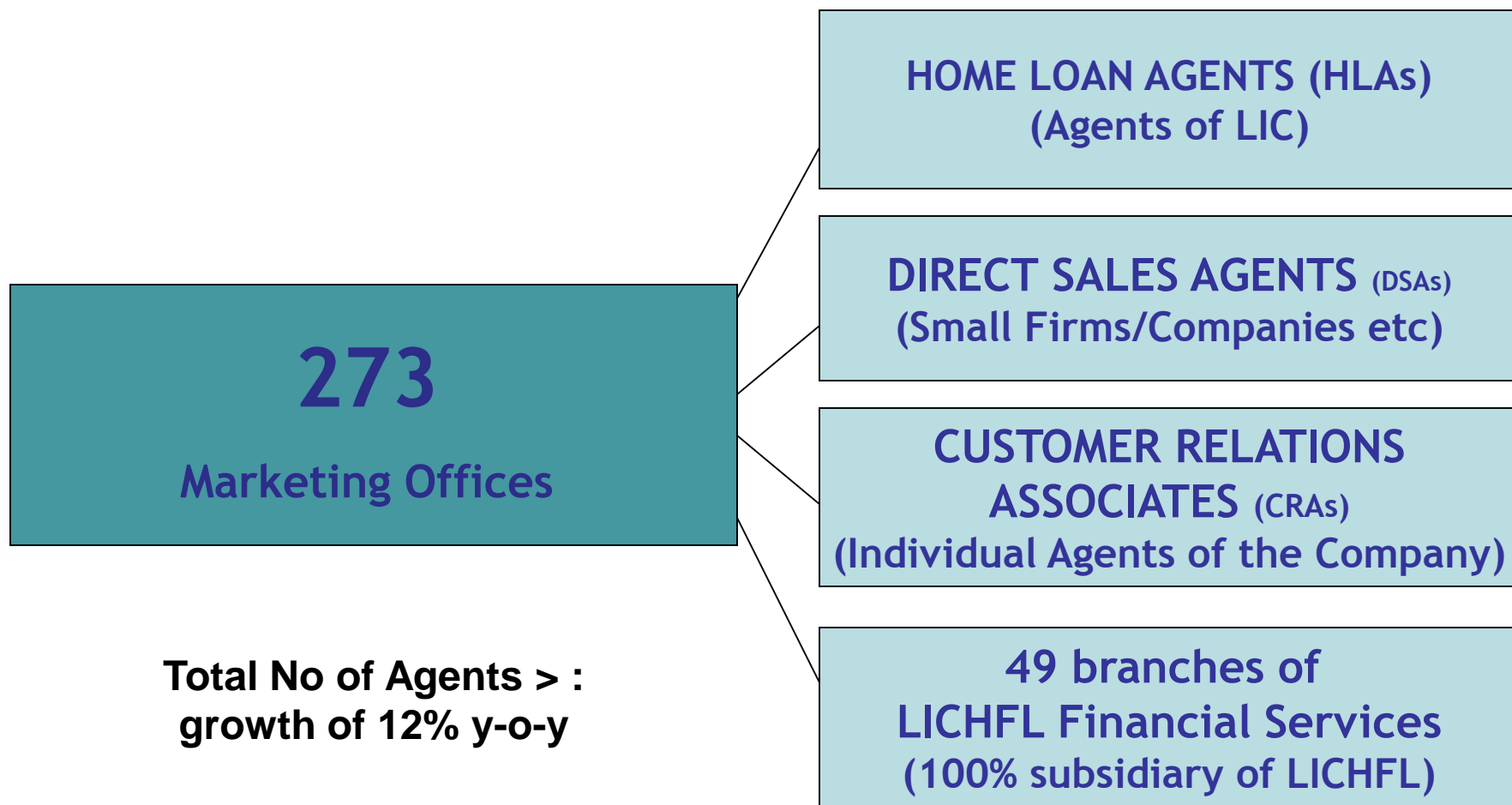


- 9 Regional Offices
- 23 Back Offices
- 273 Marketing Offices
- Rep offices in Dubai & Kuwait
- Coverage of more than 450 centres
- 2068 Employees

Widening footprint...improved efficiencies

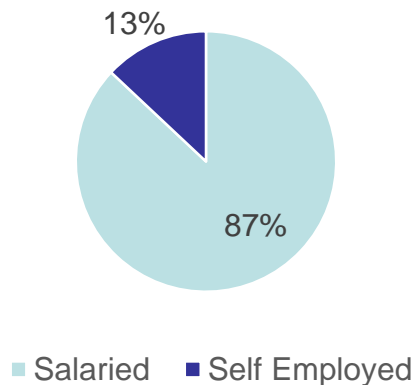
Year	No of Marketing Offices	No of Back offices	No of Regional Offices	No of Employees	Lon Portfolio Rs cr
2003	105	-	6	870	7772
2008	125	14	6	985	21936
2013	194	16	7	1446	77812
2018	249	23	9	2103	166363

24 New Marketing Offices opened in FY 2019

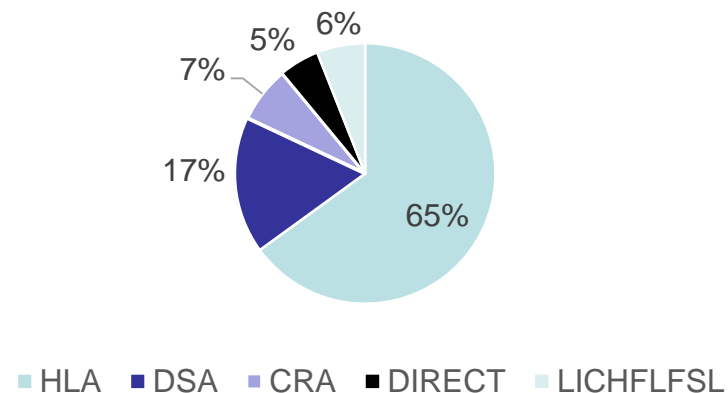


Origination Pattern & Average Ticket Size

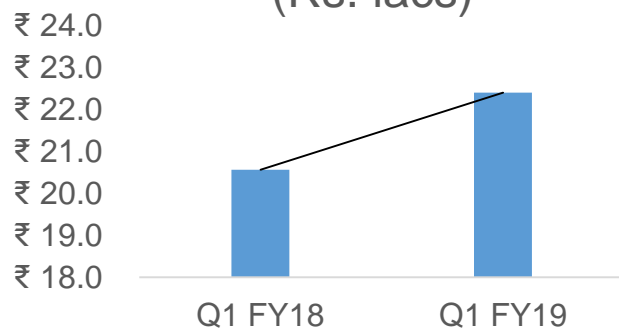
Customer Type



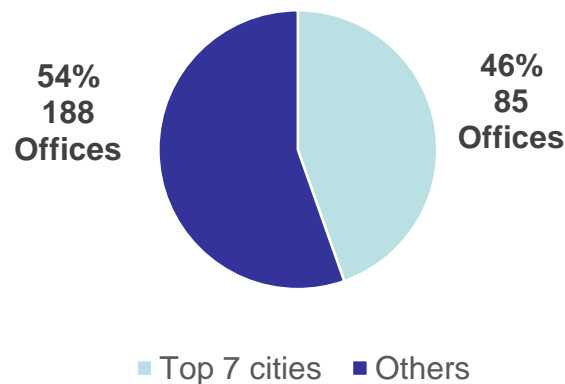
Originations by source



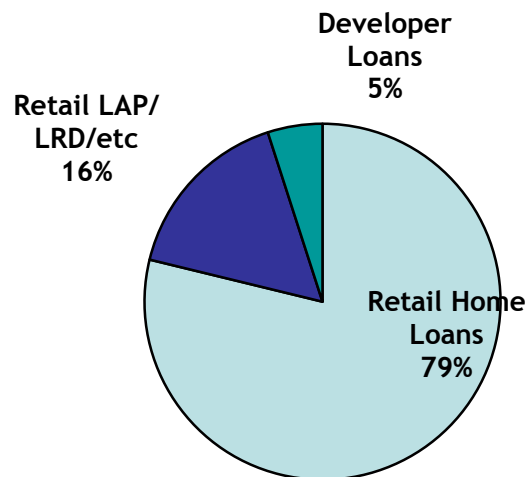
Incremental Ticket Size
(Rs. lacs)



Top 7 cities & Others

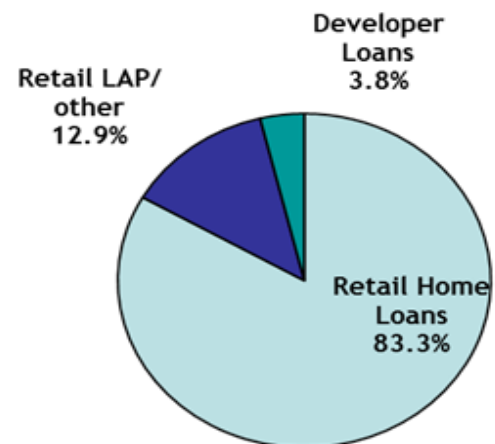


Loan Book Composition



30.06.2018

O/s Portfolio Rs.168652 cr



30.6.2017

O/s Portfolio Rs. 147051 cr

Individual Loans – Portfolio Stats

Pure Floating Rate Loans To Outstanding Portfolio

As of FY 16	47%
As of FY17	70%
As of FY18	74%
As of Q1FY19	83%

Prepayment Lump Sum/ opening book

For FY 16	11.9%
For FY17	10.9%
For FY18	11.0%
For Q1FY19	10.7%

Loan To Value Ratio On Incremental Sanctions

For FY 16	47%
For FY17	45%
For FY18	44%
For Q1FY19	46%

Installment to Net Income Ratio On Incremental Sanctions

For FY 16	33.25%
For FY17	32.12%
For FY18	31.00%
For Q1FY19	31.71%

IND AS Transition

- Housing Finance regulator National Housing Bank has directed HFC's to comply with provisions of IND AS as notified by the Ministry of Corporate Affairs(MCA) with effect from April 1, 2018.
- In line with the above directions, results of Q1 FY 18-19 of LICHFL are prepared and published complying with IND AS provisions. Additionally figures of Q1 FY 17-18 have been restated as per IND AS.

Key Impacts due to IND AS

	Existing Indian GAAP	IND AS
Effective Interest rate	Loan Processing fees are recognized upfront in P&L and Cost related to Loans are debited in P&L .	Under IND AS these fees will be amortized over the life of the loan using Effective Interest Rate method.
Asset Classification & Provisioning	Rule-based, incurred loss model	Expected Credit Loss (ECL) model based on expected future credit losses
Interest Income on NPA	The RBI guidelines require interest income on NPA to be recognized on realization basis.	Under IND AS 109, interest income is generally recognized depending on the stage in which the loan is.
Investment in Mutual Fund, G-Secs. & Debt Securities	Accounted at cost and provision for diminution charged to P&L	Accounted at fair value through P&L

Executive Summary-Q1/FY19

	Var	Q1FY19	Q1FY18
Interest Income on Individual Loans	8.15%	3722.76	3442.24
Interest Income on Project Loans	60.94%	282.20	175.35
<u>Total</u>	10.71%	4004.96	3617.59
Other Income	49.60%	32.00	21.39
<u>Gross Income</u>	11.03%	4050.95	3648.24
Interest Expenses	12.11%	3024.93	2698.22
<u>Net Interest Income</u>	6.60%	980.03	919.37
Salary & Other Establishment Exp.	(16.59%)	74.24	89.01
Provisions for Expected Credit Loss	(21.18%)	160.75	203.97
<u>Profit before Tax</u>	20.44%	788.40	654.59
Income Tax Provision including Deferred Tax	26.02%	220.46	174.94
<u>Net Profit</u>	18.41%	567.94	479.65

Executive Summary-Q1/FY19

	<i>Var</i>	Q1FY19	Q1FY18
Disbursements	10%	9594	8699
Outstanding Portfolio			
Individual	13%	160265	141440
Project	49%	8387	5611
<u>Total</u>	15%	168652	147051
Net Interest Margins(%)		2.34%	2.52%
Borrowings during the Qtr. (Rs. Cr.)	47%	20011	13620
Weighted average cost of funds		8.29%	8.50%
Yield on advances annualised		10.19%	10.58%
Spreads		1.90%	2.08%

PAT Reconciliation

Particulars	Q1 FY18 (INR Crore)
Net Profit as per IGAAP	470.06
Add / (Less) : Adjustments as per IND AS on account of:	
Adjustment on account of Effective Interest Rate (EIR) on financial assets and liabilities recognized at amortized cost /net interest on credit impaired loans	23.14
Adjustment on account of Expected Credit Loss(ECL)	(65.07)
Reversal of Deferred Tax liability (DTL) on 36(1)(viii) for the quarter	51.37
Other Adjustments	0.15
Net Profit after Tax as per IND As	479.65
Other Comprehensive Income (Net of Tax)	(0.47)
Total Comprehensive Income (Net of Tax as per Ind AS)	479.18

Financial Highlights

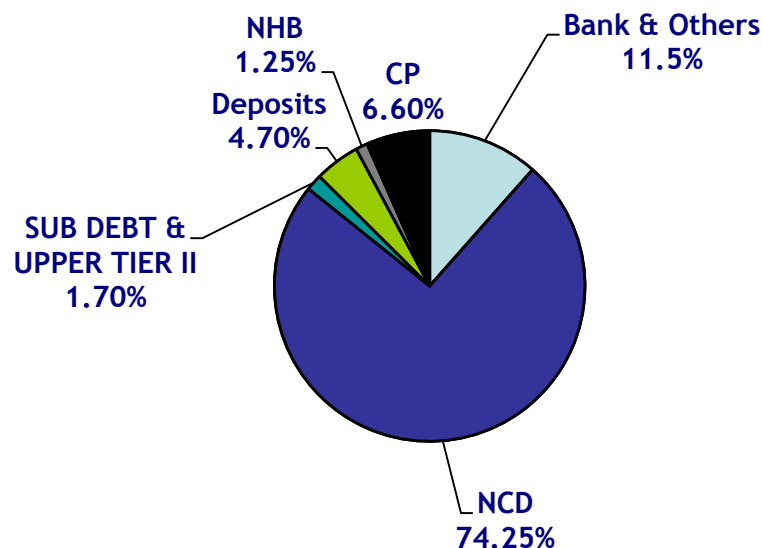
	Q1 FY2019	Q1FY 2018
Return on Average Equity (%)	18%	17%
Return on Average Assets (%)	1.4%	1.3%
Earnings per share (on Rs 2 pd up)	11.25	9.50
Capital Adequacy Ratio	March 2018	March 2017
Tier I	13.06	13.35
Tier II	2.43	2.29
Total	15.49	15.64

Liability Profile

as on 30.6.2018

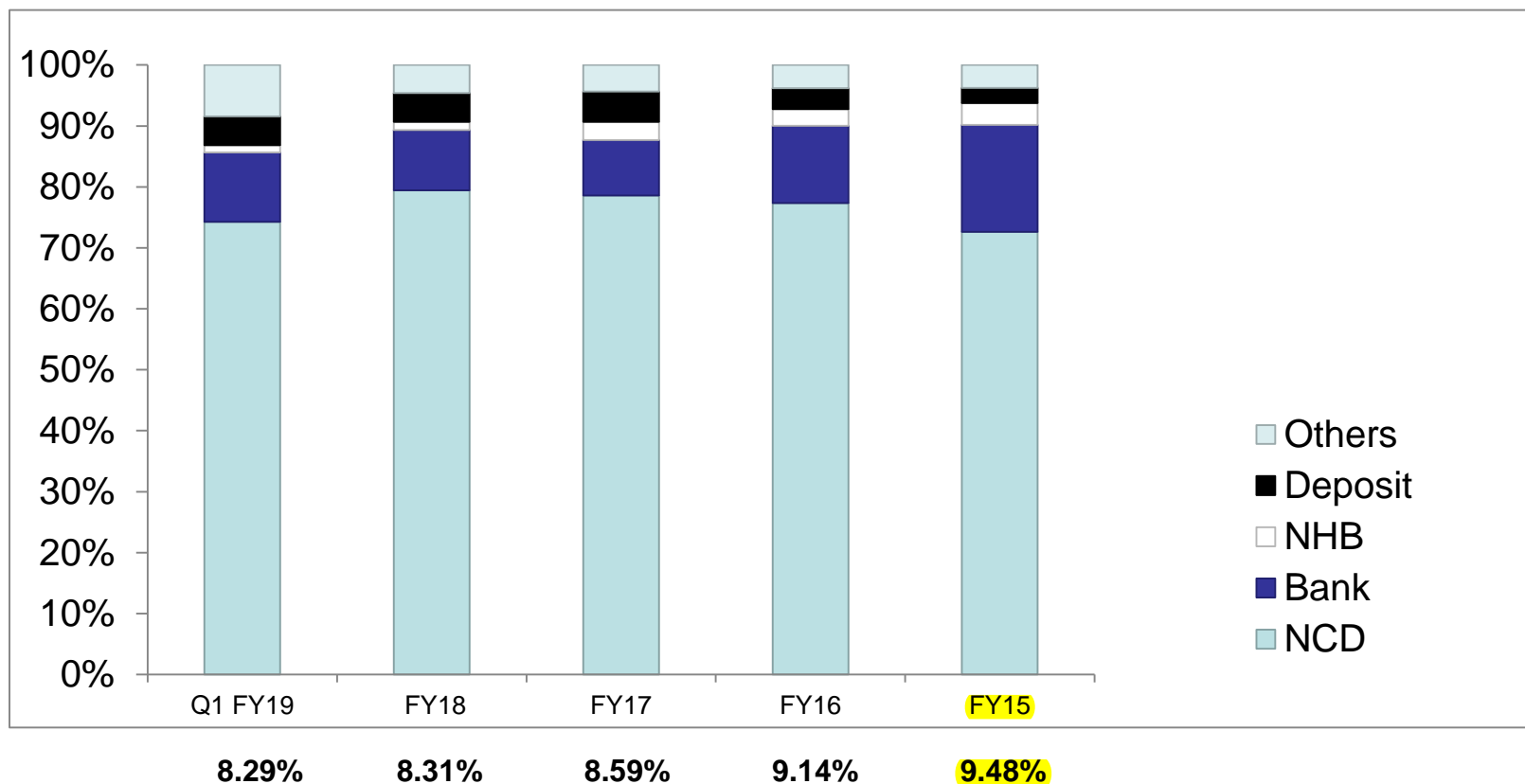
Source	Wtd Avg Cost (%)
Banks	8.25%
Non Convertible Debenture	8.37%
National Housing Bank	8.13%
Sub. Bonds & Upper Tier II	9.18%
Commercial Paper	7.53%
Deposits	7.90%
Total	8.29%

Outstanding Borrowings - Rs.147735 cr



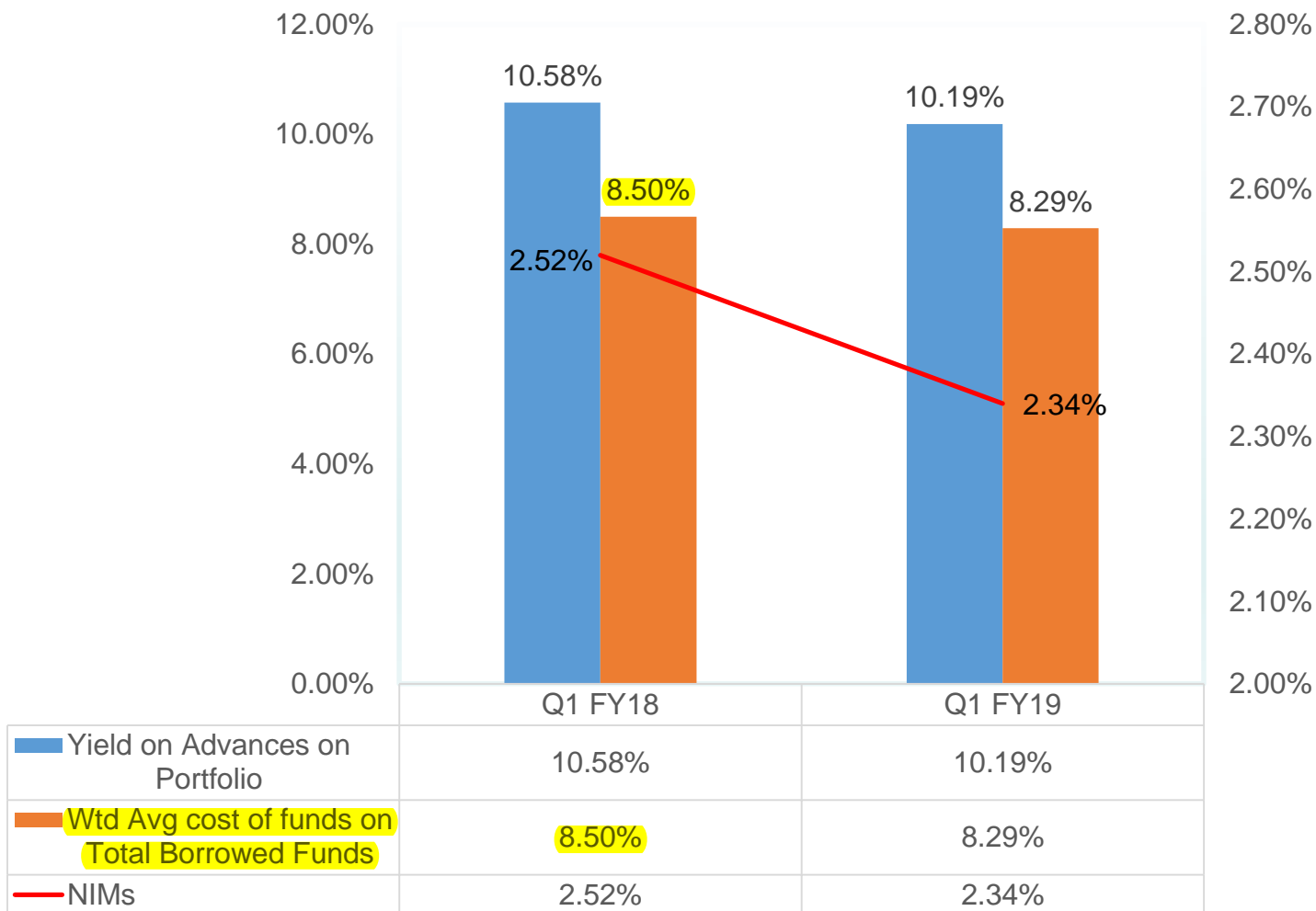
During Q1FY19, Borrowings were Rs. 20011 cr @ 7.89%

Change in Liability Mix- last 5 yrs

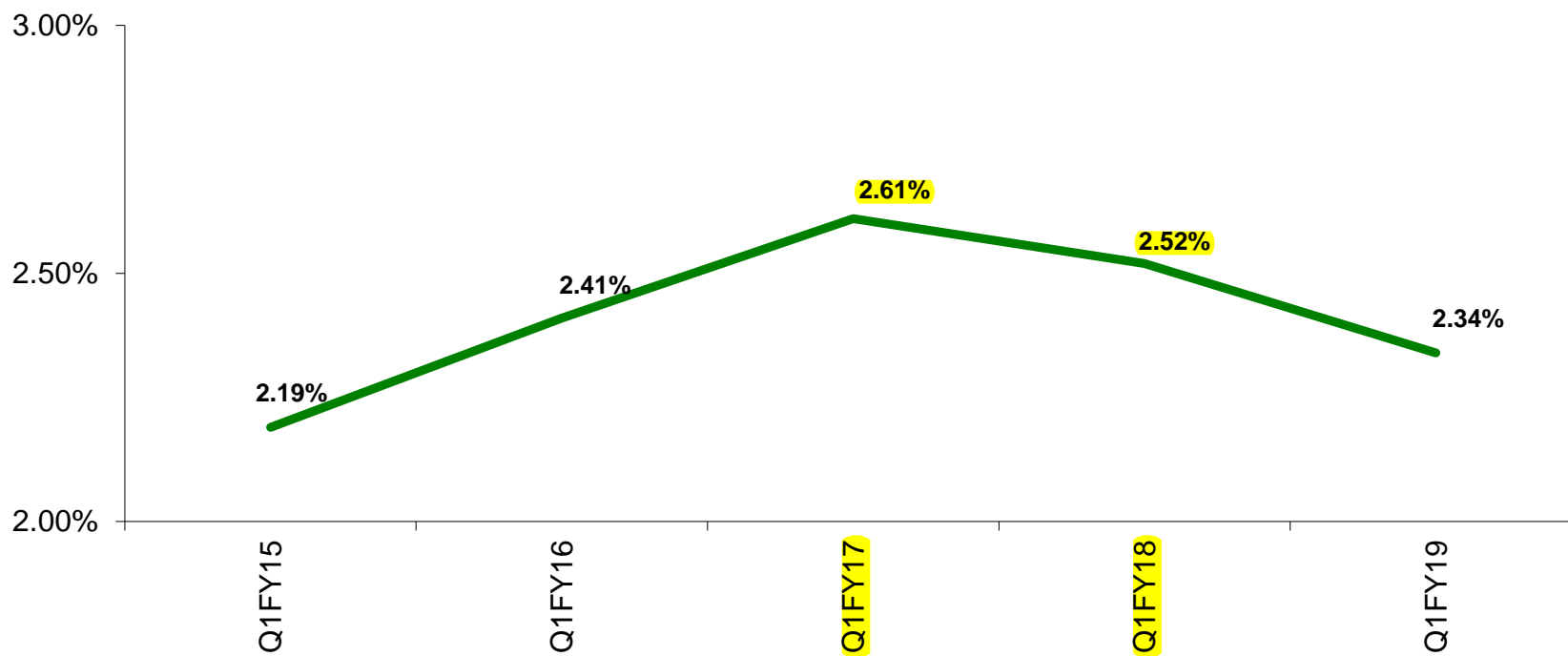


**Wtd. Avg. cost
of Funds**

Yield & Cost of Funds on portfolio



NIMs



Classification of Assets

Exposure At Default %	June-18	June-17
Stage 1	94.96%	95.69%
Stage 2	3.83%	3.59%
Stage 3	1.21%	0.72%
Total	100%	100%
ECL Provision	June-18	June-17
Stage 1	Rs. 189.92 cr	Rs. 142.67 cr
Stage 2	Rs. 73.99 cr	Rs. 78.15 cr
Stage 3	Rs. 652.43 cr	Rs. 493.69 cr

Thank you

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