Q1 FY22 Investor Update

LICHFL: A Journey of 32 Years…

1989 Incorporated

1994 IPO

2002 AAA Rating

2004 GDR Issue

2009 Crossed Rs. 500 crs profit

2011 Crossed Rs. 50,000 Cr loan portfolio

2012

- Best HFC by CNBC TV 18
- Construction Industry Award

2013

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

2014

- Best HFC by ABP News

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

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

Executive Summary – Q1/FY22

- Q1 FY22 PAT at Rs 153.44 cr as against Rs 817.48 cr
- Q1 FY22 Total Revenue from operations Rs. 4857.11 cr as against Rs. 5003.71 cr
- Outstanding Loan portfolio up by 11 % to Rs. 232548 cr
  - Individual Loan Portfolio up by 11% to Rs. 216947 cr
  - Individual Home Loan Portfolio up by 13% to Rs. 182055 Cr
- Q1FY22 Disbursements Rs. 8652 cr against Rs. 3560 cr , growth of 143%.
  - Individual Home Loan Disbursements Rs. 7650 cr against Rs. 3034 cr, growth of 152%
- Net Interest Income Rs. 1275.31 cr as against 1220.61 cr as on 30.06.2021, growth of 4.5%
- Net Interest Margins 2.20 % for Q1 FY22 as against 2.32 % for Q1FY21
- Stage 3 EAD at 5.93% as against 4.12% as on 31.03.2021

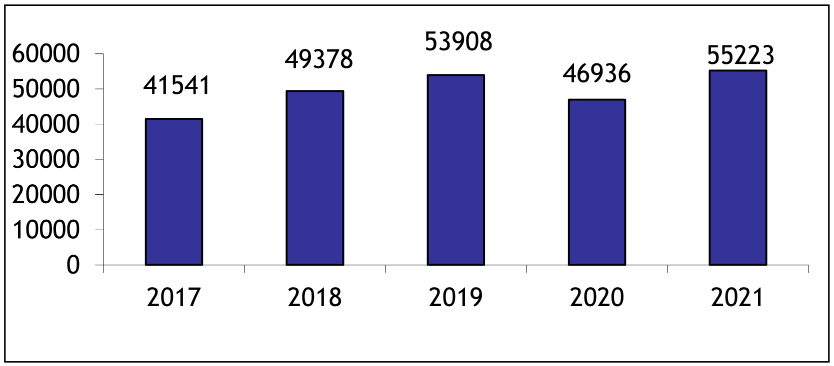
Impact of Covid 19

- During the quarter, several states were under lockdowns and restrictions due to second wave of Covid-19, which has impacted business activities.
- Collection efficiency for June 2021 stood at 98%.
- Total ECL provision stood at Rs. 4727.02 Cr as on 30.06.2021.
- Covid-19 related provision stood at Rs 657.75 Cr as on 30.06.2021.

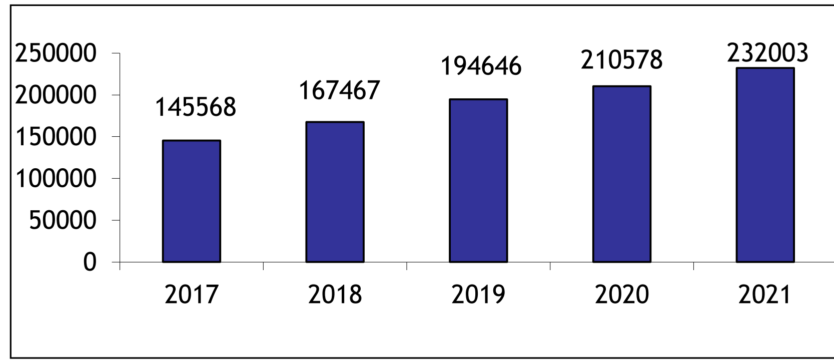
LIC HFL
LIC HOUSING FINANCE LTD

Update – last 5 years

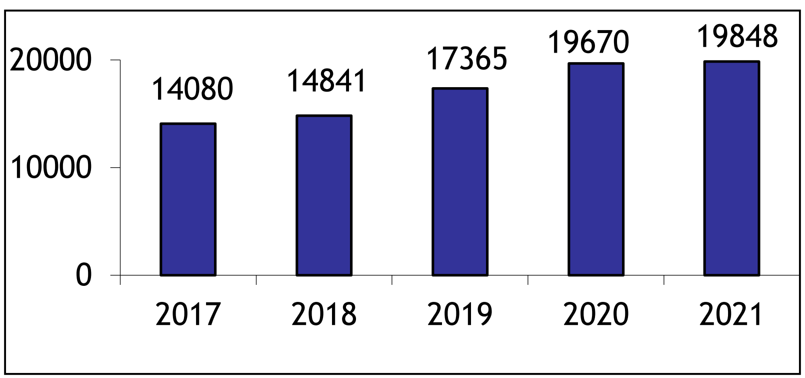
Disbursement (Rs. Cr) CAGR 7%



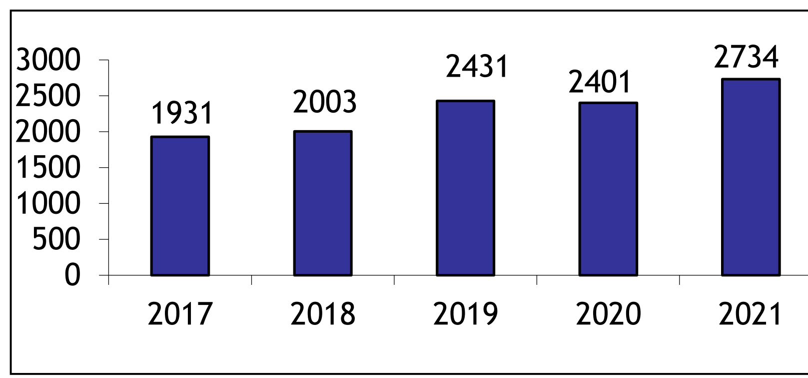
Loan Portfolio (Rs.cr) CAGR 14%



Income (Rs. cr) CAGR 9%



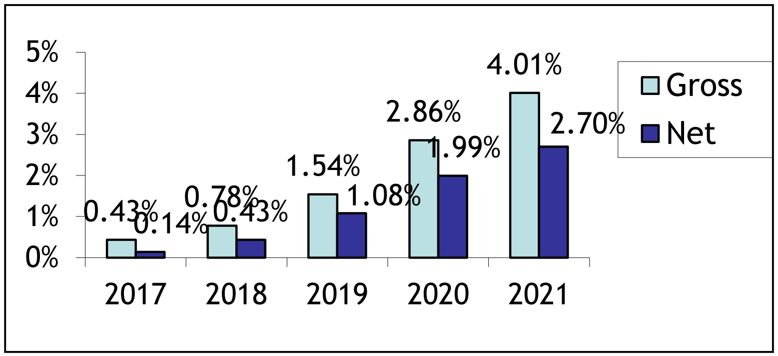
Profit After Tax (Rs. cr) CAGR 9%



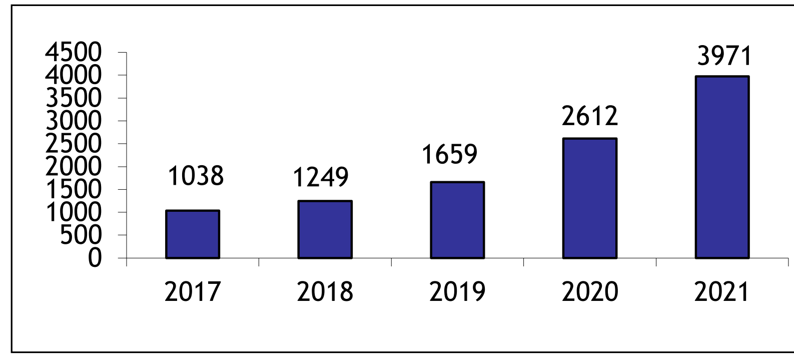
LIC HFL
LIC HOUSING FINANCE LTD

Update – last 5 years

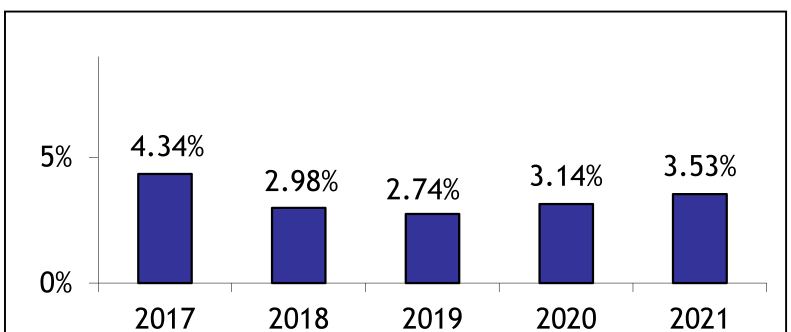
Gross & Net NPAs



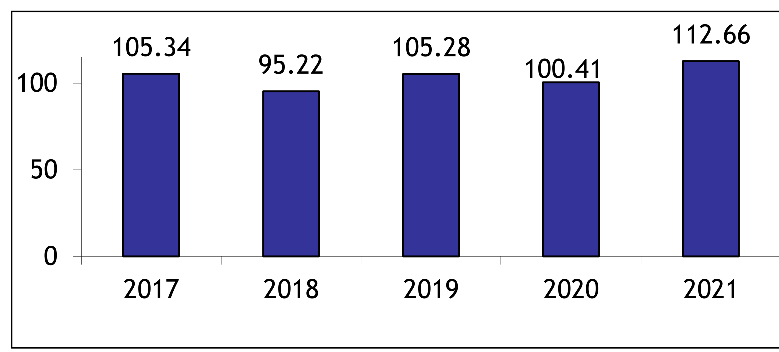
Total Provisions* (Rs cr)



Operating Expense to Total Income



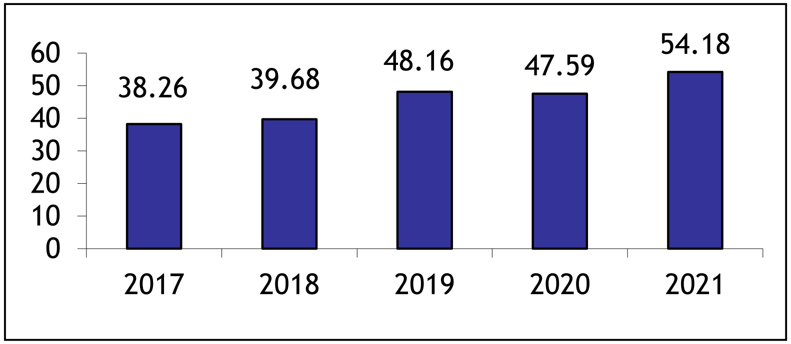
Profit per employee (Rs. lacs)



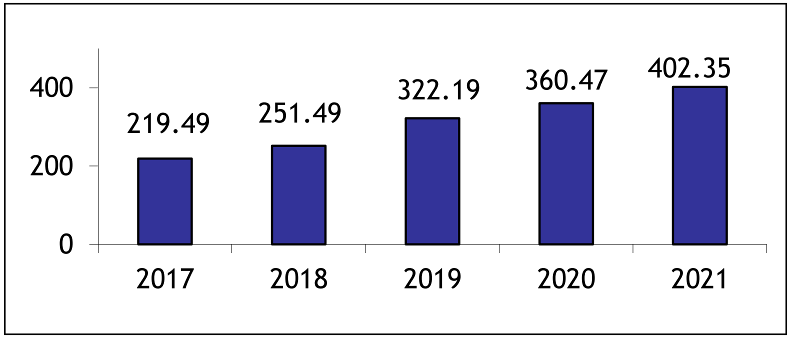
As per IGAAP
* For 2019, 2020 & 2021 ECL Provisions of Stage 1,2 and 3

Update – last 5 years

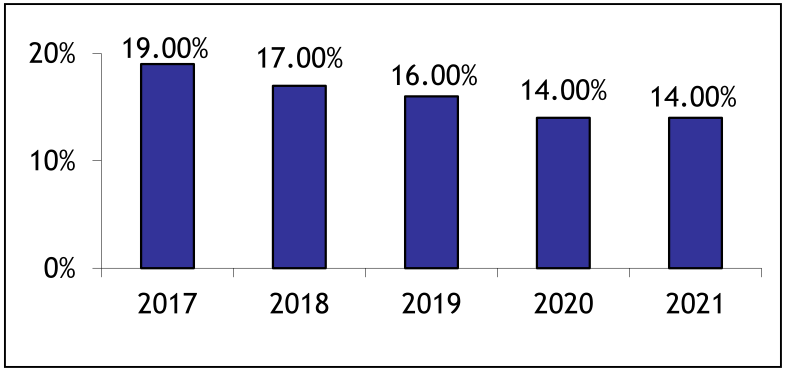
EPS (Rs) (Rs 2/- pd up)



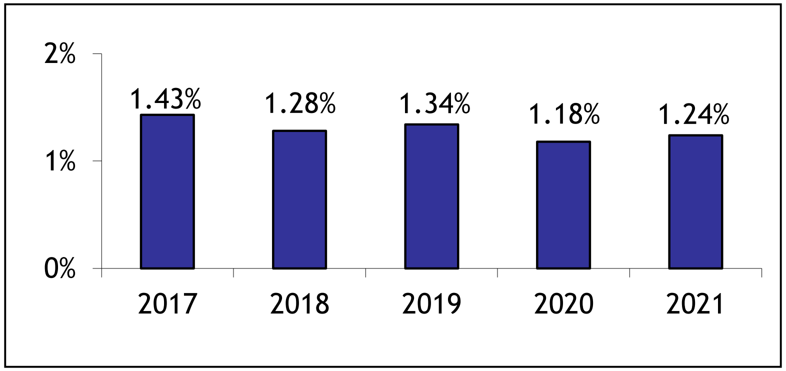
Book Value (Rs)(Rs 2/- pd up)



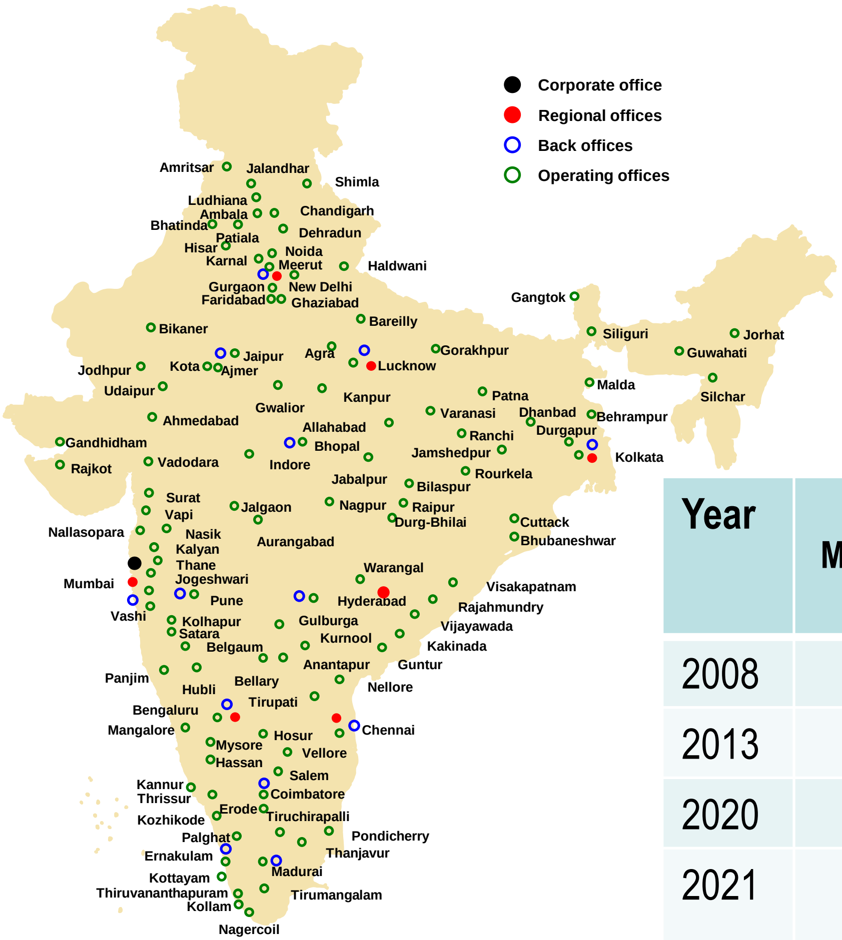
Return on Avg Equity



Return on Avg Loan Assets



Large geographic presence



- 9 Regional Offices
- 24 Back Offices
- 282 Marketing Offices
- Rep offices in Dubai & Kuwait
- Coverage of more than 450 centres
- 2421 Employees

Widening footprint…improved efficiencies

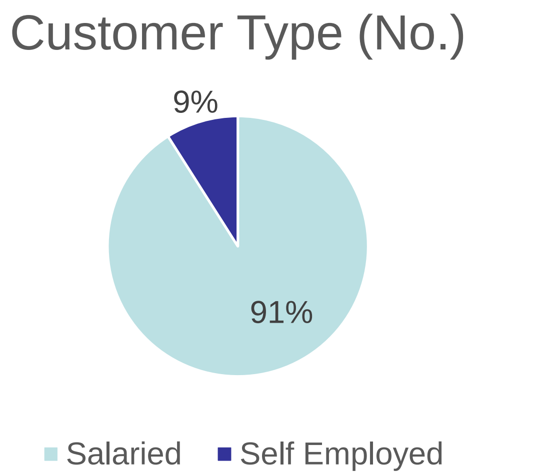
Year	No of Marketing Offices	No of Back offices	No of Regional Offices	No of Employees	Lon Portfolio Rs cr
2008	125	14	6	985	**21936**
2013	194	16	7	1446	**77812**
2020	282	24	9	2392	**210578**
2021	282	24	9	2427	**232003**

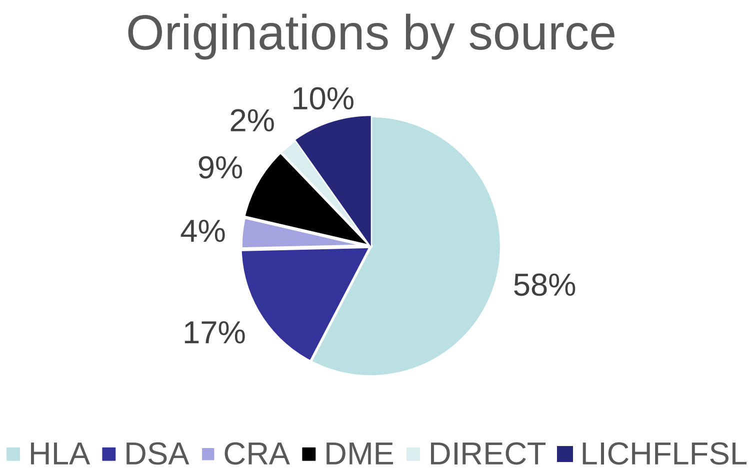
Distribution Network

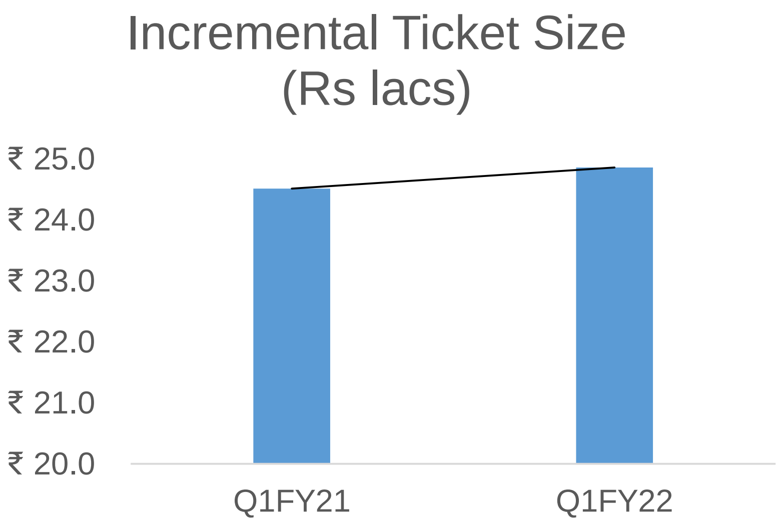
282 Marketing Offices	HOME LOAN AGENTS (HLAs) (Agents of LIC)
	DIRECT SALES AGENTS (DSAs) (Small Firms/Companies etc)
	CUSTOMER RELATIONS ASSOCIATES (CRAs) (Individual Agents of the Company)
	47 branches of LICHFL Financial Services (100% subsidiary of LICHFL)
New Marketing Channel	DIRECT MARKETING EXECUTIVES (DME) (Captive Marketing Channel)

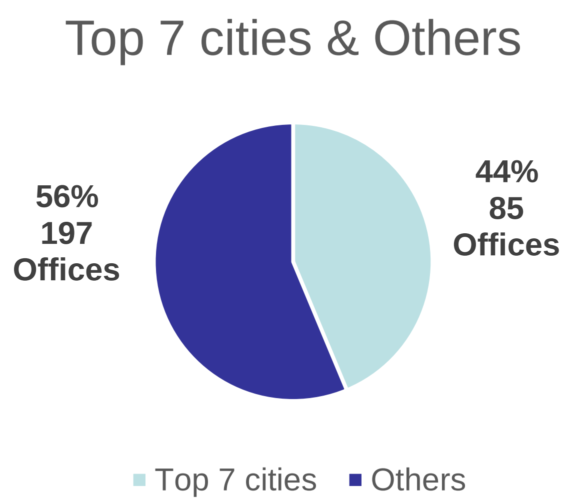
***Online Loan approvals during Q1 FY22 were Rs.3493 Cr**

Origination Pattern & Average Ticket Size

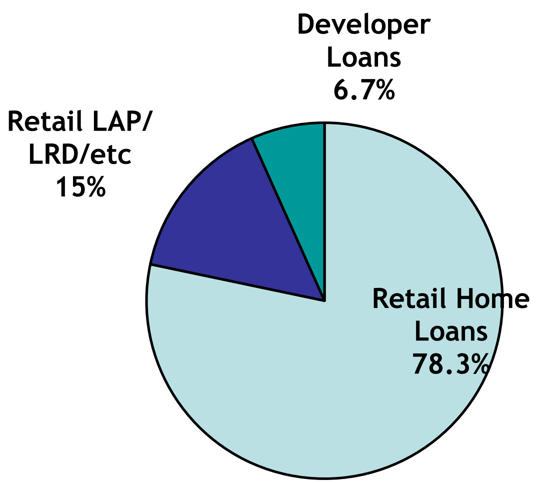






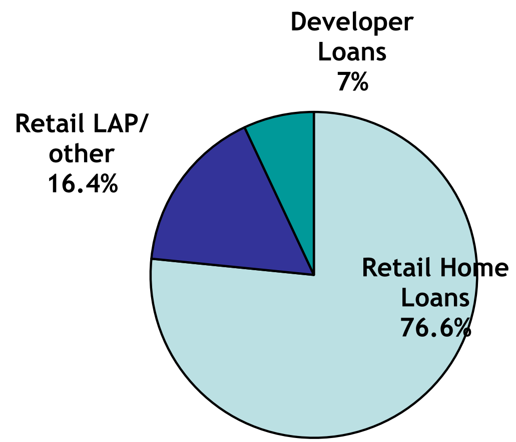


Loan Book Composition



30.06.2021

O/s Portfolio Rs. 232548 cr



30.06.2020

O/s Portfolio Rs. 209817 cr

Individual Loans – Portfolio Stats

Pure Floating Rate Loans To Outstanding Portfolio	
As of FY20	92%
As of FY21	97%
As of Q1FY22	97%

Loan To Value Ratio On Incremental Sanctions	
For FY20	49%
For FY21	48%
For Q1FY22	52%

Prepayment Lump Sum/ opening book	
For FY20	10.1%
For FY21	10.8%
For Q1FY22	8.6%

Installment to Net Income Ratio On Incremental Sanctions	
For FY20	31.00%
For FY21	29.00%
For Q1FY22	30.00%

Financial Highlights

	Q1 FY 2022	Q1 FY 2021
Return on Average Equity (%)	3.04%	17.58%
Return on Average Assets (%)	0.3%	1.6%
Earnings per share (on Rs 2 pd up)	3.04	16.20
Capital Adequacy Ratio	March 2021	March 2020
Tier I	13.87	12.19
Tier II	1.40	1.70
Total	15.28	13.89

Executive Summary-Q1/FY22

	Var	Q1 FY22 (Rs. Cr)	Q1 FY21 (Rs. Cr)
Revenue from Operations	*-2.9%*	4857.11	5003.71
Finance cost	*-5.7%*	3549.97	3764.47
Net Interest Income	*4.5%*	1275.31	1220.61
Impairment on Financial Instruments and Net Loss on De-recognition of Financial Instruments	*-*	830.41	56.45
Profit before Tax	*-81.0%*	192.93	1017.67
Tax Expense	*-80.3%*	39.49	200.19
Net Profit	*-81.2%*	153.44	817.48

Executive Summary-Q1/FY22

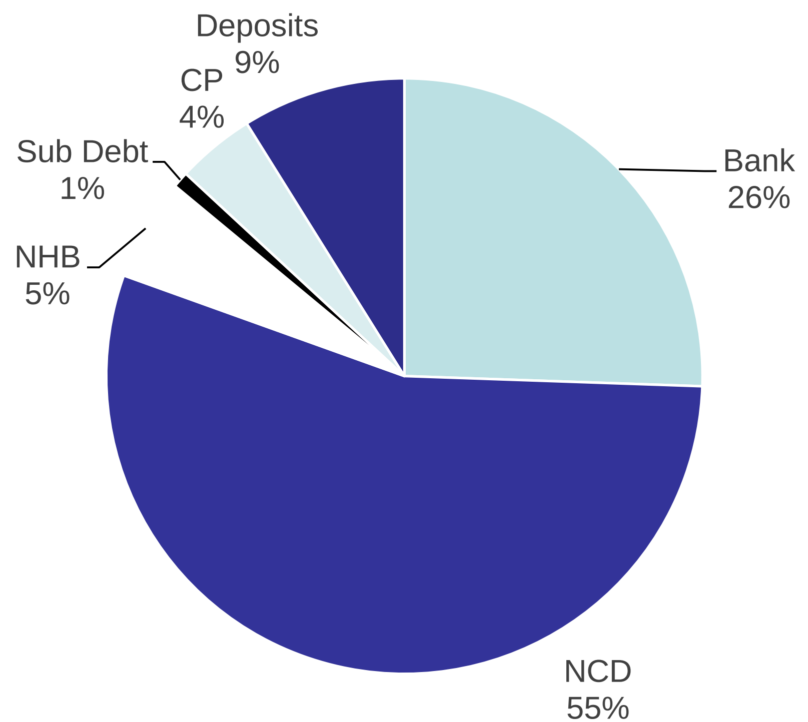
	Var	Q1FY22	Q1FY21
Disbursements			
Individual	***147.4%***	**8415**	**3402**
Project	***49.1%***	**237**	**159**
Total	***143.0%***	**8652**	**3560**
Outstanding Portfolio			
Individual	**11.2%**	**216947**	**195176**
Project	**6.5%**	**15601**	**14641**
Total	**10.8%**	**232548**	**209817**
Net Interest Margins(%)		**2.20%**	**2.32%**
Weighted average cost of funds		**6.88%**	**7.87%**
Yield on advances annualised		**8.80%**	**10.15%**
Spreads		**1.92%**	**2.28%**

Liability Profile

as on 30.6.2021

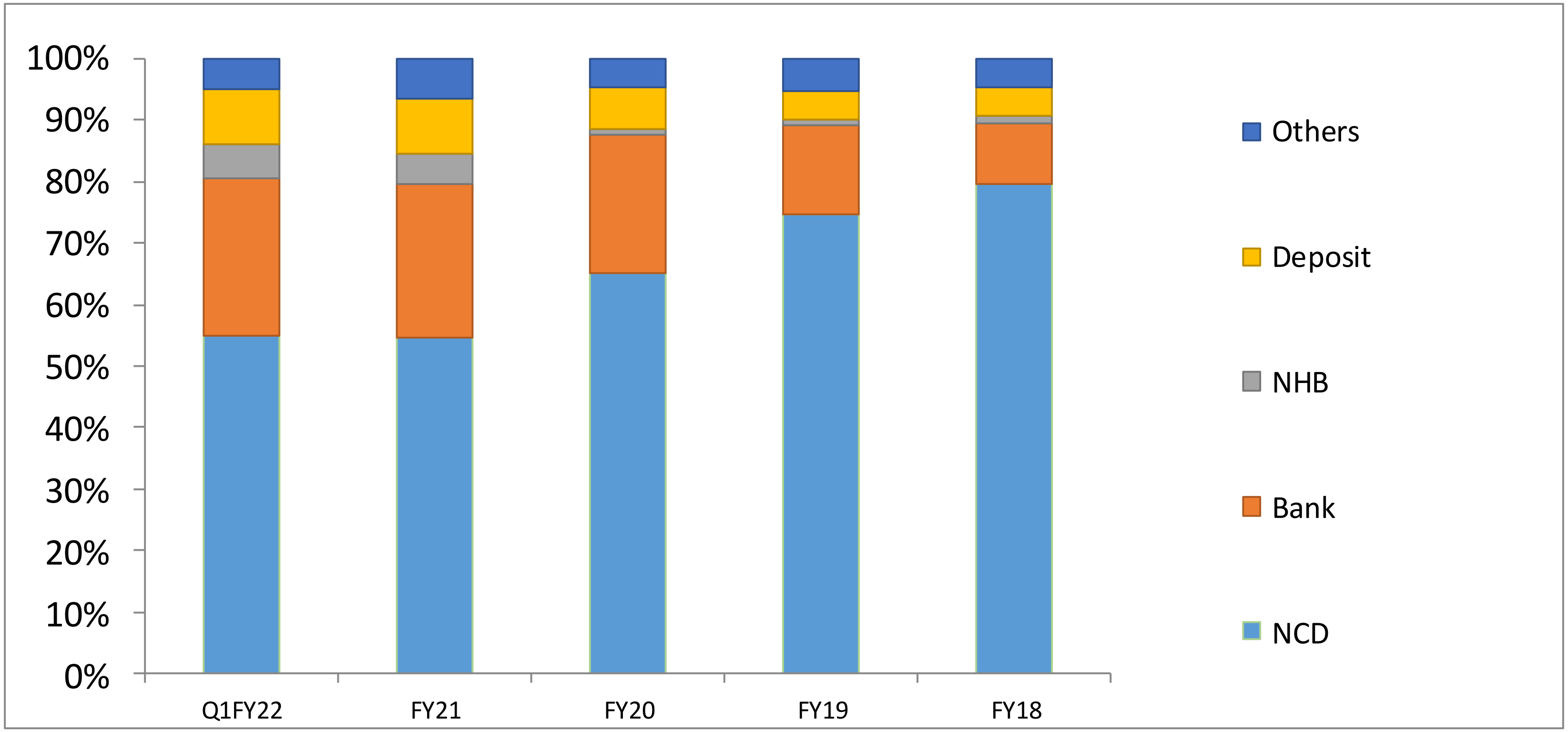
Source	Wtd Avg Cost (%)
Banks & Institutions	5.82%
National Housing Bank	5.70%
Non Convertible Debenture	7.76%
Upper Tier II	7.30%
Commercial Paper	4.15%
Deposits	6.49%
Total	**6.88%**

Outstanding Borrowings – Rs. 206391 cr



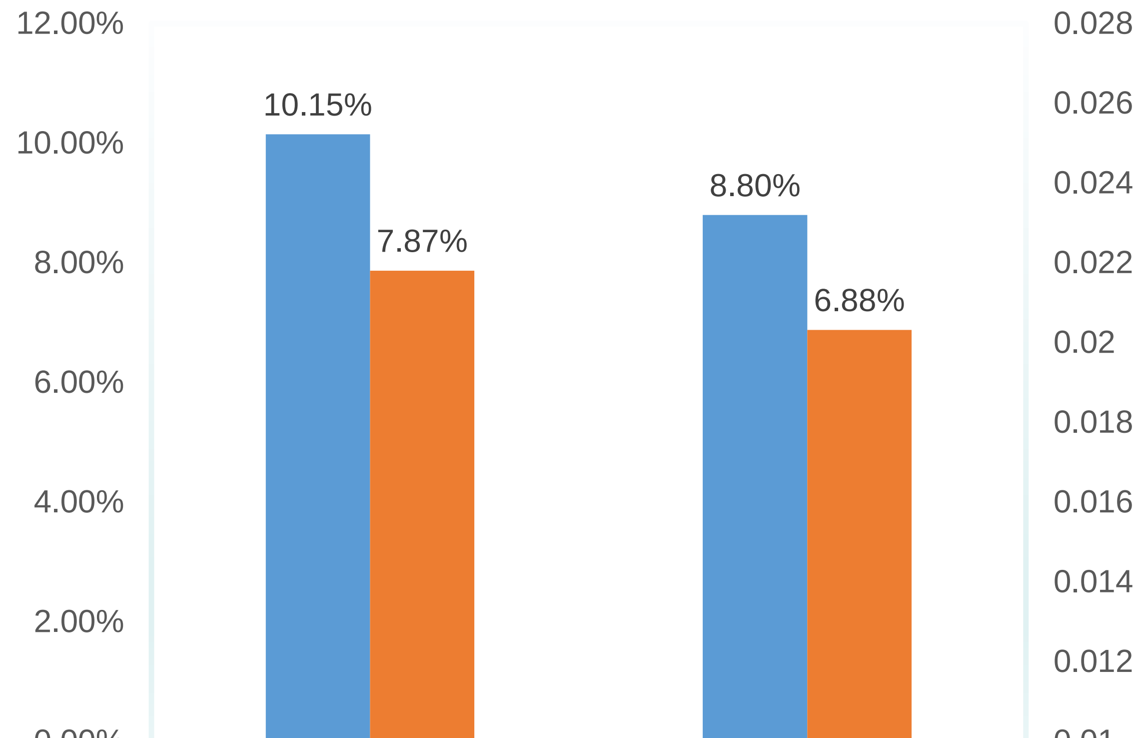
During Q1 FY22, Incremental Cost of funds was 5.03%

Change in Liability Mix- last 4 yrs



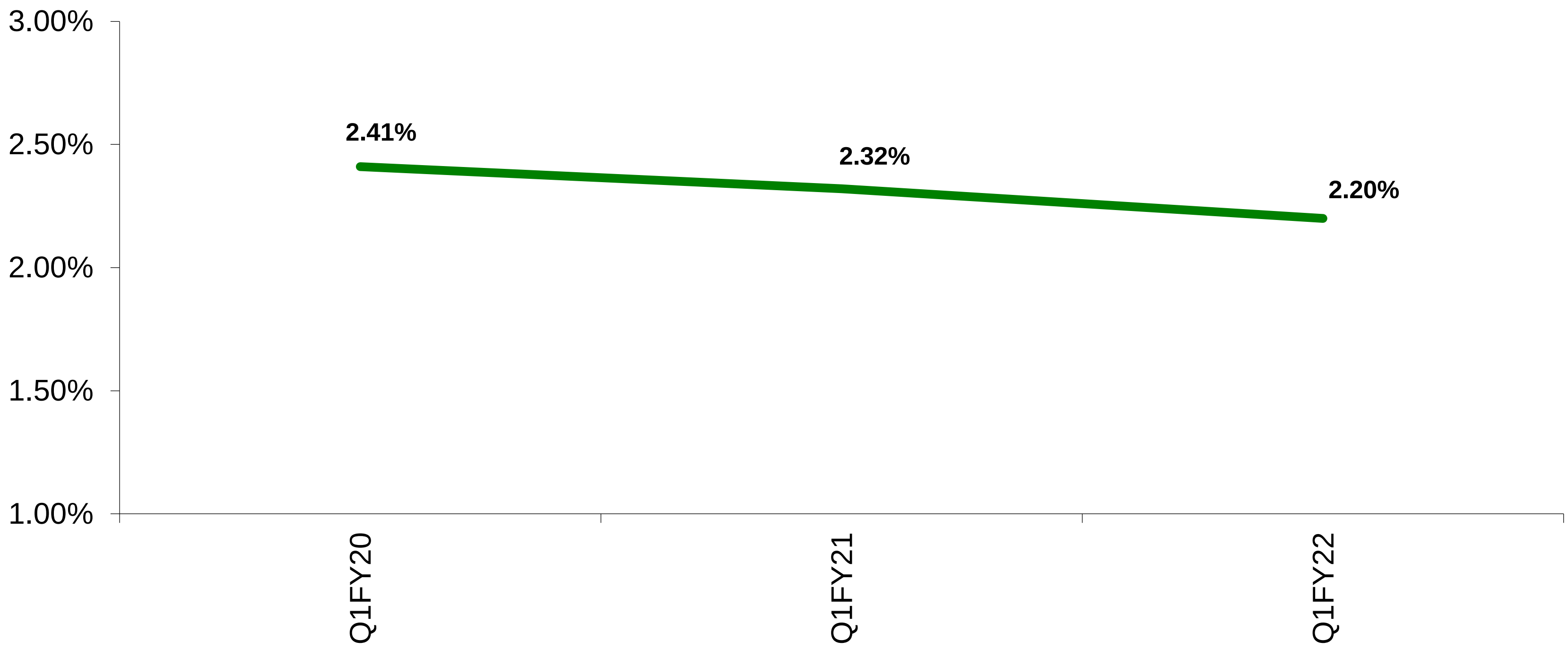
	Q1FY22	FY21	FY20	FY19	FY18
Wtd. Avg. cost of Funds	**6.88%**	**6.93%**	**8.08%**	**8.49%**	**8.31%**

Yield & Cost of Funds on portfolio



	Q1 FY21	Q1 FY22
Yield on Advances on Portfolio	10.15%	8.80%
Wtd Avg cost of funds on Total Borrowed Funds	7.87%	6.88%

NIMs



Classification of Assets

Exposure At Default %	June-21	June-20
Stage 1	88.69%	93.20%
Stage 2	5.38%	3.97%
Stage 3	5.93%	2.83%
Total	100%	100%
ECL Provision	**June-21**	**June-20**
Stage 1	Rs. 83.96 cr	Rs. 0.13 cr
Stage 2	Rs. 29.71Cr	Rs. 0.14 Cr
Stage 3	Rs. 4613.35 Cr	Rs. 2668.63 Cr

Thank you

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