

Q2 FY20 Investor Update



LICHFL: A Journey of 30 Years...

2015

Best HFC by **ABP News** 2014 Crosses Rs 1 LIC HFL 25 lakh cr in portfolio Best Housing Finance Co. by **BFSI** Awards Crossed Rs. 1000 cr profit & Best data quality Rs 75,000 Cr assets in HFC by CIBIL Best HFC by CNBC TV 18 Construction Industry Award Crossed Rs. 50,000 Cr loan portfolio

2013

Crossed Rs. 500 crs profit

2012

GDR Issue

2011

AAA Rating

2009

2004

IPO

Incorporated

2002

1994

2019

 Voted as the 'Brand of the Decade 2019' by BARC Asia •Crossed 2,00,000 Cr in Assets

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





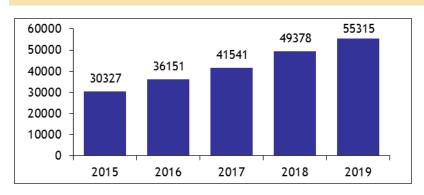
Executive Summary – Q2/FY20

- Q2 FY20 PAT at Rs 772.20 cr as against Rs 573.16 cr up 35%
- Q2 FY20 Revenue from operations up by 18 % to Rs 4973 cr
- Outstanding Loan portfolio up by 14.50 % to Rs.203037 cr
 - Individual Home Loan Portfolio up by 13 % to Rs 154059 cr
- Q2FY20 Disbursements Rs12173 cr against Rs 14294 cr
 - Individual Home Loan Disbursements Rs 10136 cr against Rs 8739 cr up by 16%
- Net Interest Income Rs 1213 cr up by 16%
- Net Interest Margins 2.42 % for Q2 FY20 as against 2.41% for Q2FY19
- Stage 3 EAD at 2.38 % as against 1.98% as on 30.6.2019

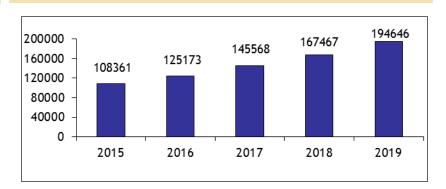


Update – last 5 years

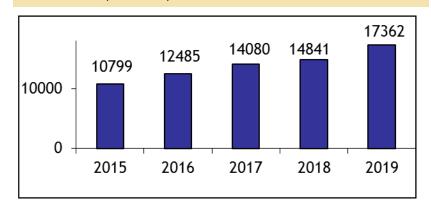
Disbursement (Rs. Cr) CAGR 16%



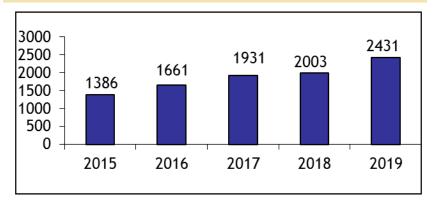
Loan Portfolio (Rs.cr) CAGR 16%



Income (Rs. cr) CAGR 13%



Profit After Tax (Rs. cr) CAGR 15%



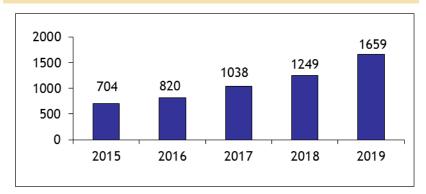


Update – last 5 years

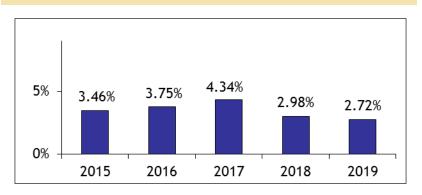
Gross & Net NPAs



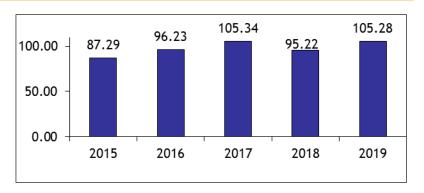
Total Provisions* (Rs cr)



Operating Expense to Total Income



Profit per employee (Rs. lacs)



^{*} Provisions Including Provisions on Std. Assets



Update – last 5 years

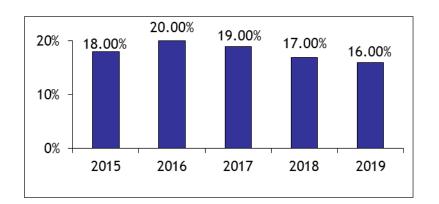
EPS (Rs) (Rs 2/- pd up)



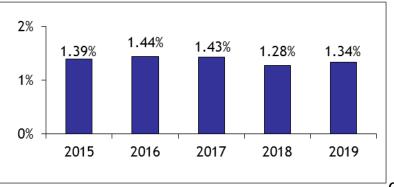
Book Value (Rs)(Rs 2/- pd up)



Return on Avg Equity



Return on Avg Loan Assets





Large geographic presence



Hosur Vellore

Coimbatore

Pondicherry

Thanjavur

Kannur o

Ernakulam 💍 Thiruvananthapuram O

Palghat 0

Nagercoil

Thrissur

- 9 Regional Offices
- 25 Back Offices
- 282 Marketing Offices
- Rep offices in Dubai & Kuwait
- Coverage of more than 450 centres
- 2280 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
2019	273	23	9	2309	194646



Distribution Network

282

Marketing Offices

HOME LOAN AGENTS (HLAs)
(Agents of LIC)

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

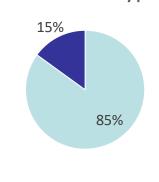
CUSTOMER RELATIONS
ASSOCIATES (CRAs)
(Individual Agents of the Company)

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



Origination Pattern & Average Ticket Size

Customer Type



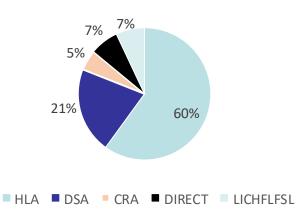
■ Salaried ■ Self Employed

Incremental Ticket Size (Rs. lacs) ₹ 25.0 ₹ 24.0 ₹ 23.0 ₹ 22.0 ₹ 21.0 ₹ 20.0 ₹ 19.0

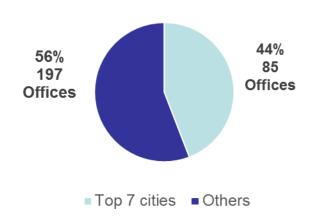
Q2 FY20

Q2 FY19

Originations by source

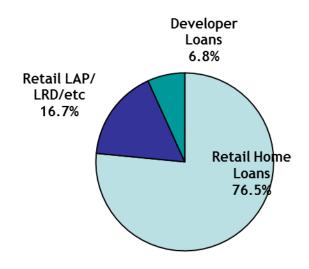


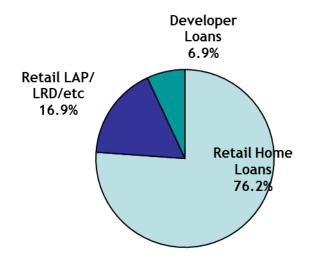
Top 7 cities & Others





Loan Book Composition





30.09.2019

O/s Portfolio Rs. 203037 cr

30.06.2019O/s Portfolio Rs. 197768 cr



Individual Loans – Portfolio Stats

Pure Floating Rate Loans				
To Outstanding Portfolio				
As of FY 18 74%				
As of FY19	93%			
As of Q1FY20	93%			
As of Q2FY20	82%			

Prepayment Lump Sum/ opening book				
For FY 18 11.0%				
For FY19 10.2%				
For Q1FY20	9.8%			
For Q2FY20	9.6%			

Loan To Value Ratio On Incremental Sanctions				
For FY 18 44%				
For FY19 46%				
For Q1FY20 47%				
For Q2FY20 49%				

Installment to Net Income Ratio On Incremental Sanctions				
For FY 18 31.00%				
For FY19	32.00%			
For Q1FY20	31.56%			
For Q2FY20	31.52%			



Financial Highlights- Q2

	Q2 FY2020	Q2 FY2019	
Return on Average Equity (%)	16.5%	16%	
Return on Average Assets (%)	1.4%	1.3%	
Earnings per share (on Rs 2 pd up)	15.30	11.36	
Capital Adequacy Ratio	March 2019	March 2018	
Tier I	12.30	13.06	
Tier II	2.06	2.43	
Total	14.36	15.49	



Executive Summary-Q2/H1FY20

	Var	Q2 FY20 (Rs. Cr)	Q2 FY19 (Rs. Cr)	Var	H1 FY20 (Rs. Cr)	H1 FY19 (Rs. Cr)
Revenue from Operations	18%	4972.86	4201.61	18%	9780.06	8260.87
Finance cost	18%	3701.81	3138.24	18%	7304.40	6163.56
Net Interest Income	16%	1213.08	1047.44	17%	2367.02	2027.12
Impairment on Financial Instruments and Net Loss on De-recognition of Financial Instruments	27%	278.04	219.39	41%	535.34	380.36
Profit before Tax	15%	856.06	745.34	11%	1696.95	1533.74
Tax Expense	-51%	83.86	172.18	-20%	314.07	392.64
Net Profit	35%	772.20	573.16	21%	1382.88	1141.10

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Executive Summary-Q2/H1FY20

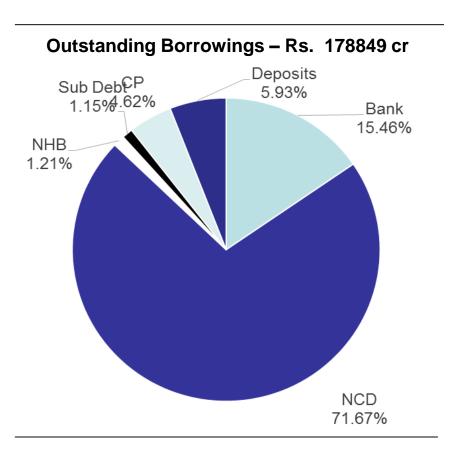
	Var	Q2 FY20 (Rs. Cr)	Q2 FY19 (Rs. Cr)	Var	H1 FY20 (Rs. Cr)	H1 FY19 (Rs. Cr)
Disbursements						
Individual	4%	11728	11324	6%	21160	20029
Project	-85%	445	2970	-67%	1274	3859
<u>Total</u>	-15%	12173	14294	-6%	22434	23866
Outstanding Portfolio						
Individual				14%	189351	166457
Project				25%	13685	10936
<u>Total</u>				14%	203037	177393
Net Interest Margins(%)		2.42%	2.41%		2.38%	2.35%
Outstanding Liabilities				16%	178849	154451
Weighted average cost of funds					8.36%	8.30%
Yield on advances annualised					10.34%	10.24%
Spreads					1.98%	1.94%



Liability Profile

as on 30.09.2019

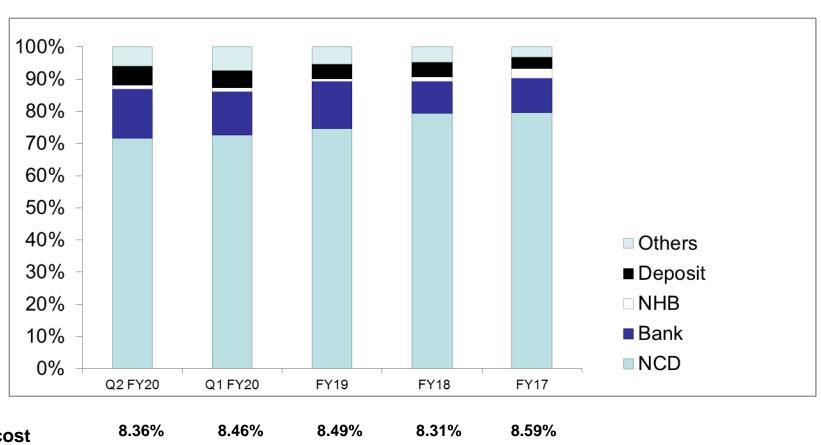
Source	Wtd Avg Cost (%)
Banks & Institutions	8.46%
Non Convertible Debenture	8.41%
National Housing Bank	7.76%
Sub. Bonds & Upper Tier II	8.89%
Commercial Paper	7.46%
Deposits	8.27%
Total	8.36%



During Q2FY20, Incremental Cost of funds was 8.04%



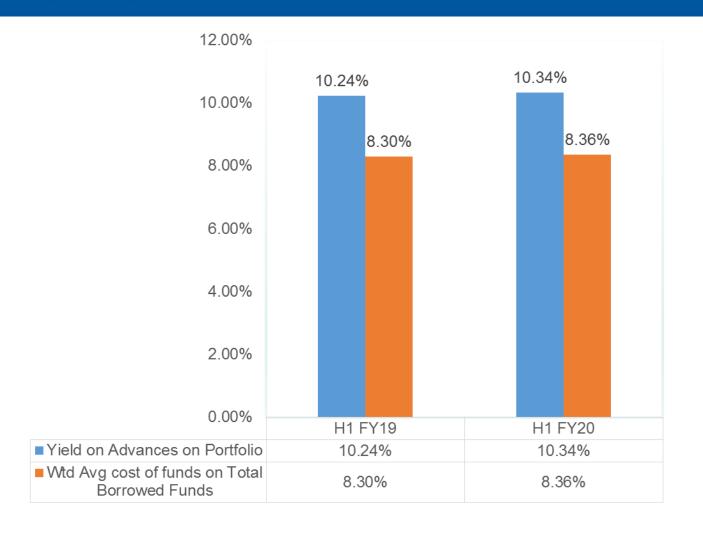
Change in Liability Mix- last 3 yrs



Wtd. Avg. cost of Funds

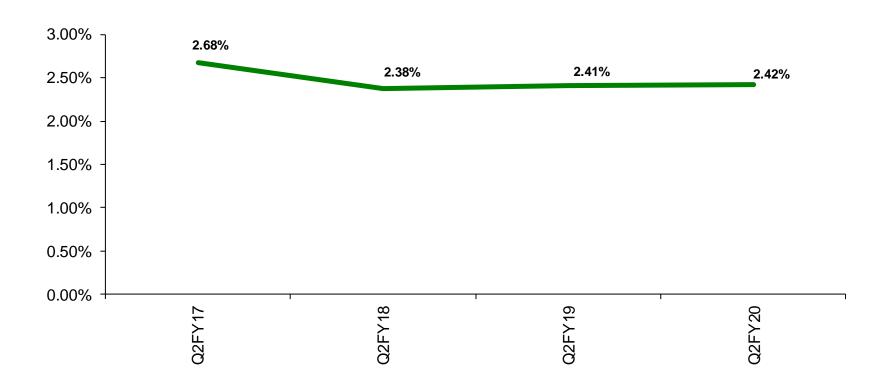


Yield & Cost of Funds on portfolio





NIMs





Classification of Assets

Exposure At Default %	September-19	September-18
Stage 1	92.88%	94.57%
Stage 2	4.74%	4.16%
Stage 3	2.38%	1.27%
Total	100%	100%
ECL Provision	September-19	September-18
Stage 1	Rs. 28.67 cr	Rs. 278.8cr
Stage 2	Rs. 82.33 cr	Rs. 110.98 cr
Stage 3	Rs 2083.04 cr	Rs. 1169.67 cr



Thank you

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