

Dewan Housing Finance Corporation Ltd. (DHFL)

Information teaser



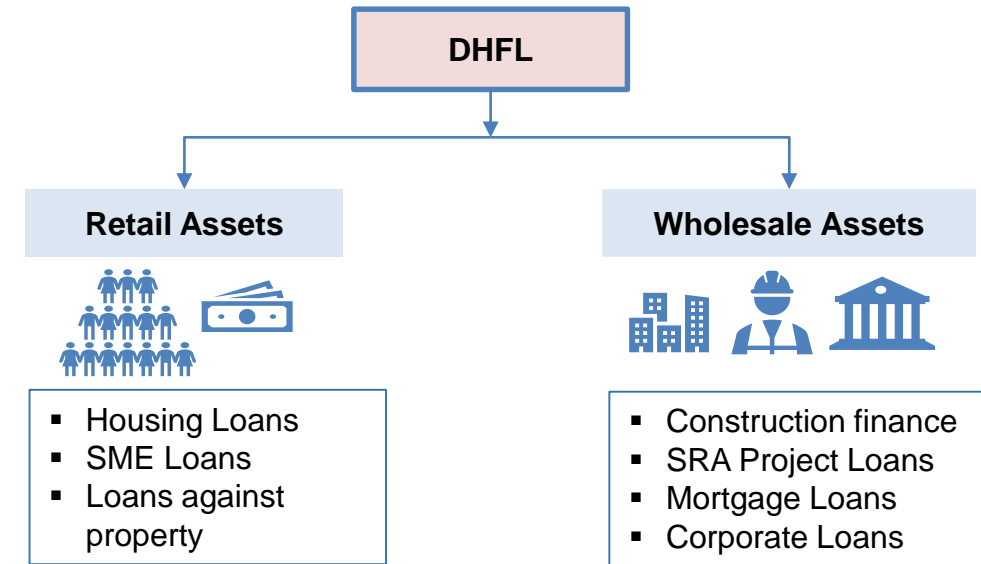
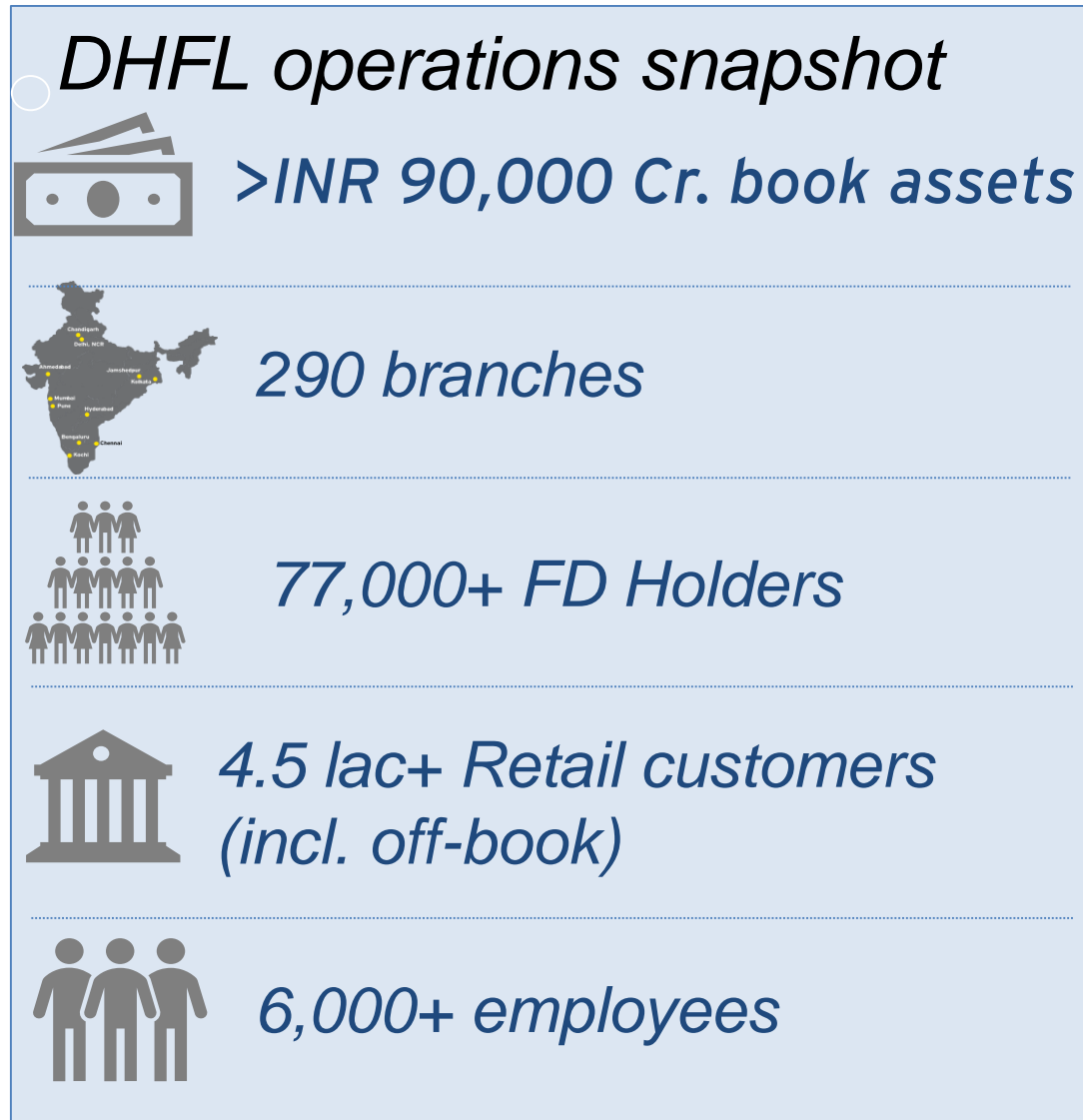
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Abbreviations

AUM	Assets Under Management
CIRP	Corporate Insolvency Resolution Process
CPU	Central Processing Unit
FD	Fixed Deposit
HFC	Housing Finance Company
ICD	Inter Corporate Deposit
LAP	Loan Against Property
LMI	Lower & Middle Income
MB	Micro Branch
MPCHGR	Madhya Pradesh, Chhattisgarh, Gujarat & Rajasthan
PMAY	Pradhan Mantri Awas Yojana
PSL	Priority Sector Loan
PTC	Pass Through Certificate
ROMG	Rest of Maharashtra & Goa
SME	Small & Medium Enterprise
SR	Security Receipt
SRA	Slum Rehabilitation Authority

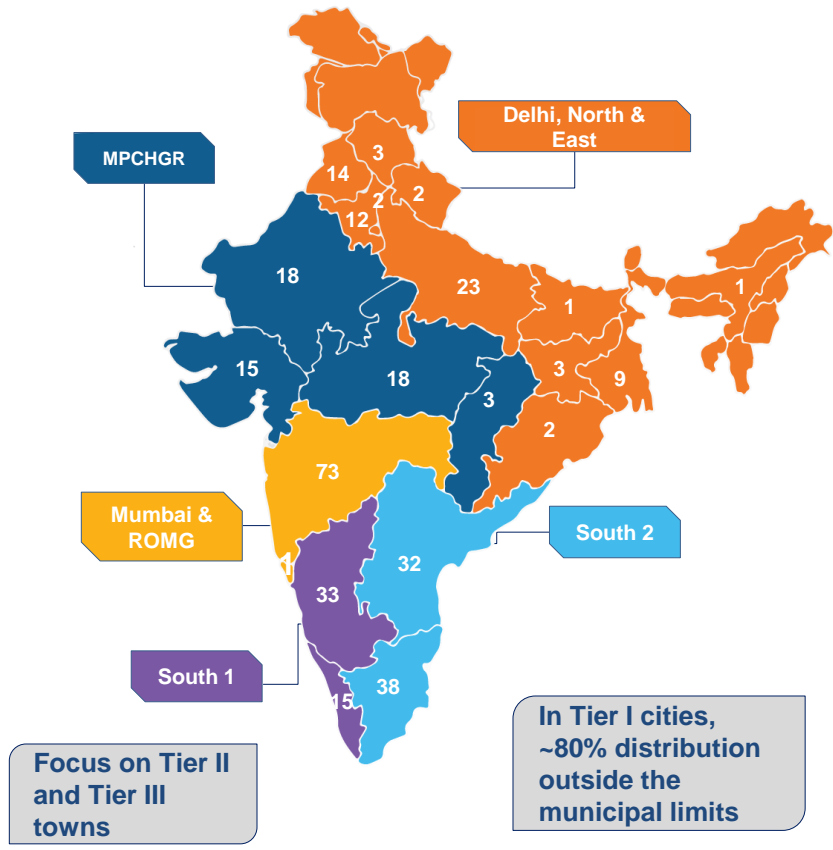
DHFL – leading Housing Finance Company



- DHFL is a housing finance company with diverse set of assets
- The assets may be broadly categorized as retail and wholesale
- Retail assets primarily consists of housing loans with more than 4.5 lac loan accounts - high intensity operations
- The assets under the wholesale category are primarily given to real estate developers for construction of projects and as mortgage loans to corporates
- Collections being the prime focus currently, approximately 700 employees have been re-allocated to the said department in addition to the existing collections team of approximately 1300 in number

DHFL: Retail Portfolio

Geo Presence across India



DHFL Network		
☐ Corporate, Registered & National Office:	Mumbai	1
☐ Zonal / Regional Offices:		17
☐ Branches/ Micro-branches:		290
☐ CPUs, Distribution HUBs & Collection Centre:		7

Geographical Mix		
Location Category	# of Locations	Locations %
Metro	9	3%
A	59	20%
B	48	17%
C	71	24%
MBs	103	36%
Grand Total	290	100%

Including Corporate, Registered & National Office

21% business contribution comes from C category and micro branches

The network enabled reaching out to all FD holders within a span of 15 days to enable them to submit their claim as part of the CIRP process with support from the CPU and branch teams; with such an established network, it is well poised to gain from Govt.'s push for affordable housing through PMAY schemes and PSL

Key Differentiators of DHFL

30+ years experience	Expertise in underwriting credit for Low and Middle Income and self employed customers
Distribution	Significant penetration in Tier II / III towns through focused multi-channel distribution strategy
Customer	Carved niche in the Lower and Middle Income Group (LMI) customer segment
Credit	Robust credit appraisal system recently overhauled for effective underwriting especially in LMI segment
IT systems	Considerable investment in IT systems to automate processes

The quality and strength of the book for monetization is ascertainable with the fact that ~50% of the Retail AUM of DHFL has been securitized with third parties

DHFL : Wholesale portfolio

Loan Type	# Loan A/c
Construction Finance	173
LAP	53
SRA	18
Corporate Loans	28
Total	272

DHFL has a wholesale portfolio of Mortgage Loans and loans against –

- In-progress projects,
- Stalled projects,
- Land banks,
- Slum rehabilitation projects

These projects are primarily located in Tier 1 cities.

Sectoral stress has led to defaults creating a requirement for realignment of cash flows

The data has been extracted from the Company's system and may undergo change based on outcome of review/ audit

Construction Finance

- The assets under this category are loans provided to Real Estate Developers for projects primarily in Tier I cities
- ~15 projects account for ~71% of the total book

Loan Against Property ('LAP')

- Loans provided primarily to corporates against various securities;
- ~12 loan accounts form ~72% of the total book

Corporate Loans

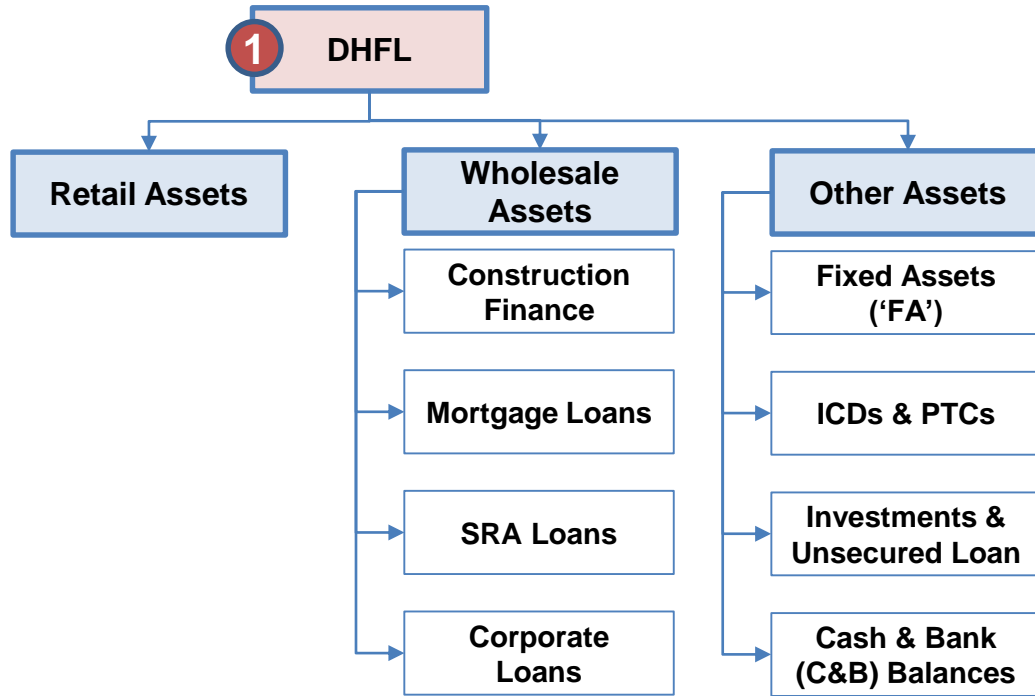
- Security against these loans are primarily large land parcels with development potential

Slum Rehabilitation Authority ('SRA')

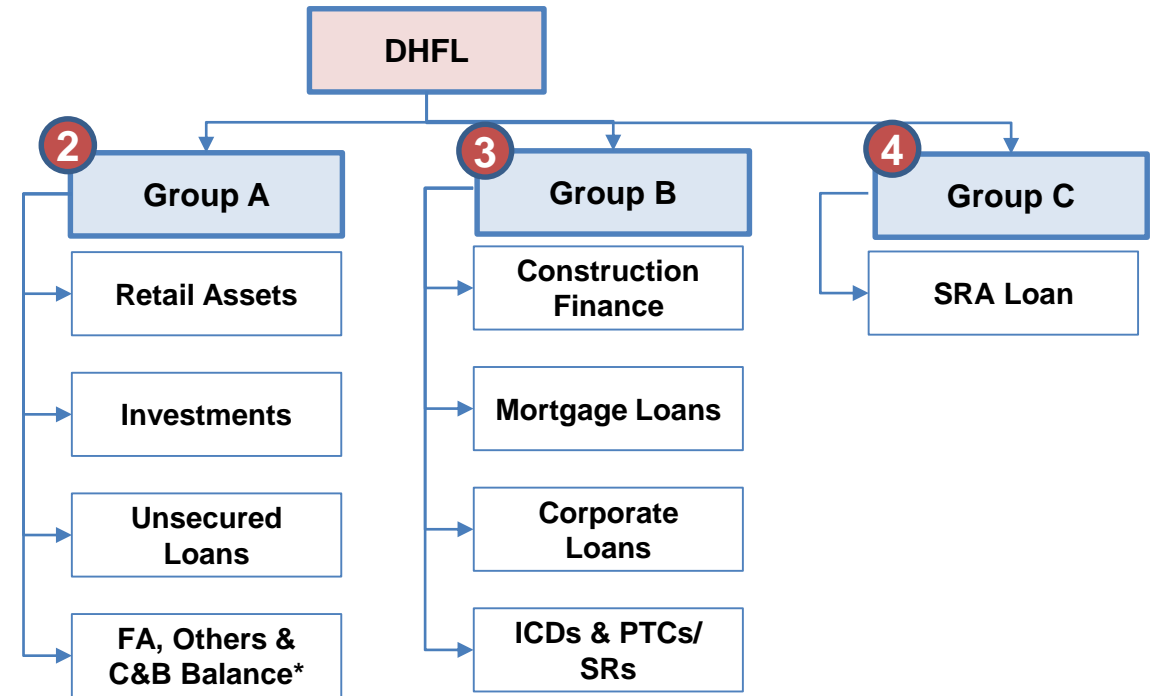
- Funding provided for development of large projects under the *Slum Rehabilitation Authority ('SRA') Scheme* located in prime areas of Mumbai (Juhu Gali and others)

Bid Options

Option I - Company as a Whole



Option II - Split of Business



→ Bid options

*Cash collected post 30 November 2019 will be allocated to respective portfolio (CIRP and running cost to be deducted from Retail Portfolio)

Peer data

Amount in INR Crores

Key Parameters	FY2019			
	HDFC	LIC HF	IndiaBulls	PNB HF
AUM	4,61,913	1,94,646	1,20,525	84,722
Loan Book	4,06,607	1,94,646	92,298	74,023
Manpower	2,840	2,309	8,676	1,609
Gross NPA	1.18%	1.54%	0.88%	0.48%
Net NPA	0.84%	1.08%	0.69%	0.38%
AUM Growth	14.65%	16.23%	(1.40%)	36.10%

All numbers have been taken from the respective Annual Reports

Price to Book Ratio*	5.45	1.42	0.78	1.02
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*Source: www.moneycontrol.com (as on January 29, 2020)

Thank You