

# Star Housing Finance Ltd

CORPORATE DECK

Sep 2023



**STAR**  
HOUSING FINANCE  
*Star hai toh bharosa hai*

# STAR HFL - COMPANY BRIEF

## ABOUT US

- Listed on the BSE (BOM: 539017)
- Affordable housing finance company
- Registered and Head office in Mumbai
- Offices in 5 states with 30+ Points of Presence

## KEY FIGURES

- AUM at 319.43 crs with 3000+ live accounts with Avg. Loans Size of Rs. 11 lakhs
- GNPA at 1.46% and NNPA at 1.08% as of Sep 30, 2023
- PBT of Rs. 4.28 crs and PAT of Rs. 3.62 crs for H1 FY'2023-24
- Net worth of Rs. 112 crs as of Sep 30, 2023
- Liability of Rs. 224.08 crs as of Sep 30, 2023

## GOVERNANCE

- Professional Board with ex-NHB, ex-IDBI, ex-LIC as Independent board members
- Led by housing finance professionals with combined experience of more than 200 years
- Operates with a business philosophy of enabling credit access to first time home borrowers in EWS / LIG segment towards owning an own home (affordable housing space)

# LEADERSHIP PROFILE

## Company Board

**A.P Saxena**



**Independent Director**  
Ex-GM NHB

**Ajith Lakshmanan**



**Independent Director**  
Ex-ED LIC of India

**P.K Das**



**Independent Director**  
Ex-ED IDBI Bank

**Neelam Tater**



**Independent Director**  
CA & CS Professional

**Ashish Jain**



**MD** | HFC Exp: 20 Year

**Kalpesh Dave**



**CEO** | HFC Exp: 22 years

**Natesh Narayanan, CFA**



**CFO** | BFSI Exp: 20 years

**CA Anoop Saxena**



**COO** | HFC Exp: 20 years

**Shakir Sheikh**



**CLO** | HFC Exp: 35 years

**CS Shreyas Mehta**



**CS&CO** | BFSI Exp: 10 years

**CA Shikha Dharmawat**



**CAO** | HFC Exp: 10 Year

**Sandeep Kadam**



**CBO** | HFC Exp: 20 years

**Rajesh Gopinath**



**BH-TN** | HFC Exp: 20 years

**Nilesh Pande**



**HEAD FI & BH-VIDARBHA**  
HFC Exp: 30 years

**Mohan Tayade**



**BH-Surat** | HFC Exp: 10 years

## Senior Management

**RICH IN DOMAIN & VINTAGE**














**CUMULATIVE EXPERIENCE OF MORE THAN 200 YEARS IN FINANCIAL SERVICES SPACE**







# BECOMING A PROFESSIONALLY RUN HFC

COMPANY TRANSITION	
Before Oct 2019	As of Now
 <b>Akme Star HFC</b> <small>Akme Star Housing Finance Ltd.</small> <small>We do not tender loans, We tender happiness</small>	 <b>STAR</b> <b>HOUSING FINANCE</b> <i>Star hai toh bharosa hai</i>
Old Name	New Name
 Registered office at Udaipur	 Registered & Corporate office shifted to Mumbai
 Listed on BSE SME platform	 Migrated to BSE Main Board
 Ad-hoc growth characteristics with minimal processes	 Structured approach towards growth defined by policies, processes & guidelines with strong risk framework

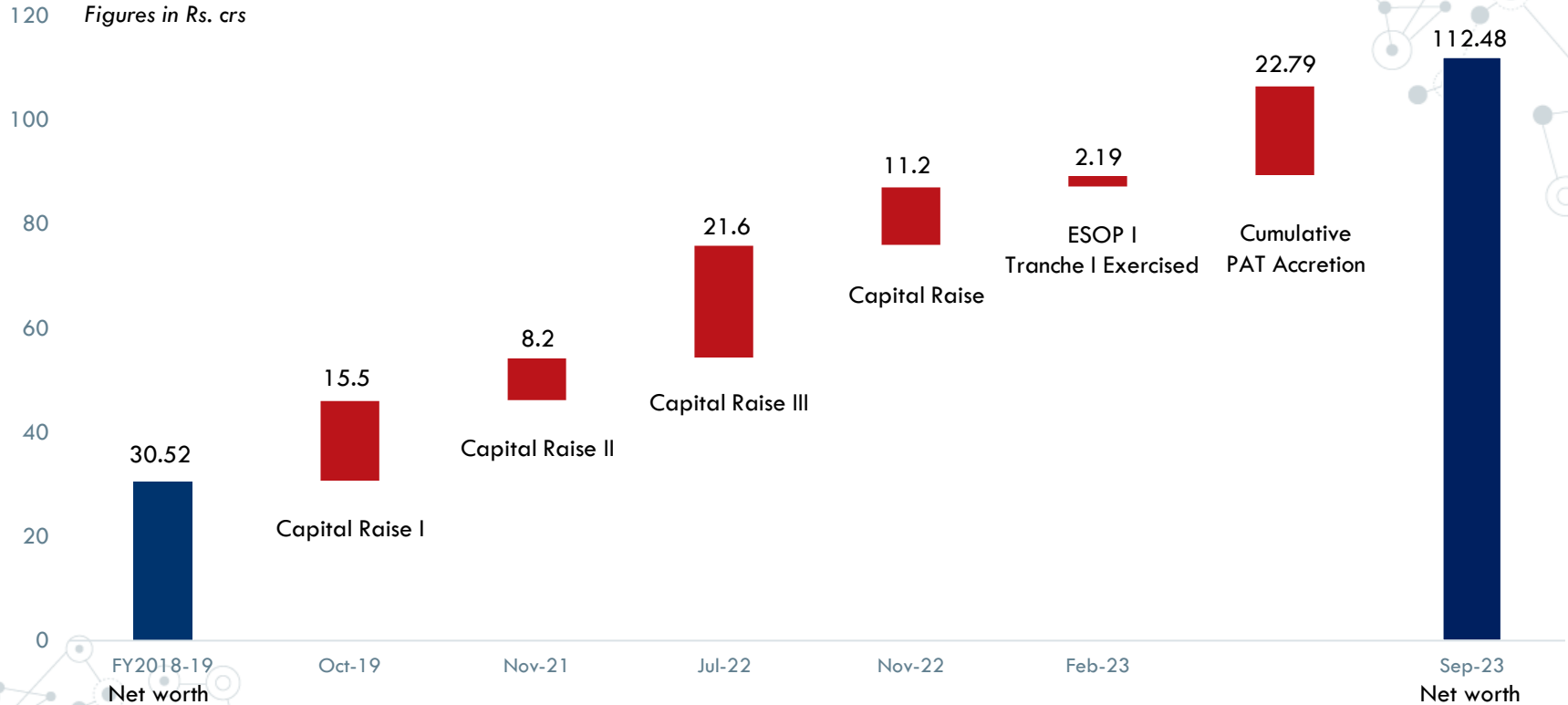
BUSINESS TRANSITION	
Before Oct 2019	As of Now
Franchise based Business Model	In-house business model
Geographic concentration	Multi-state presence
11 member team	200+ strong team
Sizeable portion of AUM comprised of big ticket / project loans	Dedicated focus on retail loans, project loans < 2%
AUM build up of Rs. 60 crs over a decade	AUM of Rs. 320 crs as of Sep-23
Lack of domain and vintage	Employees rich in HFC experience
Excel based working environment	Under migration from Jaguar LMS to eSthanos LMS
Onward lending rate of 22-24%	Lending rates rationalised

# BECOMING A PROFESSIONALLY RUN HFC (contd.)

LIABILITY TRANSITION	
Before Oct 2019	As of Now
Borrowings predominantly from Financial Institutions	Diversified Borrowing Profile with focus on PSBs. Private Sector Banks, FIs and the NHB
   	    
Accounting on Indian GAAP standard	Accounting on INDAS Standard
  <p>Rating Partners</p>	  <p>Rating Partners</p>

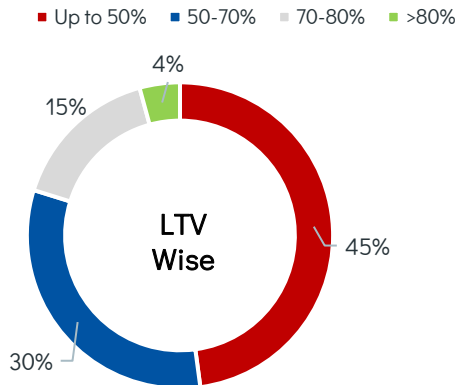
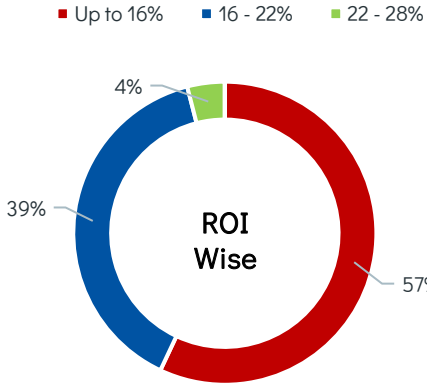
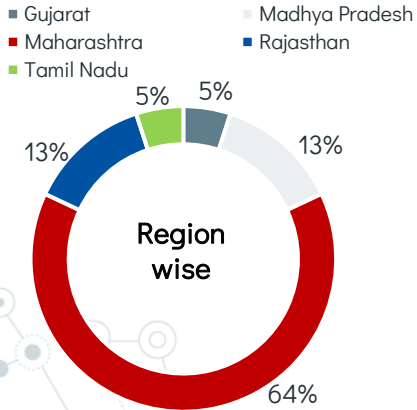
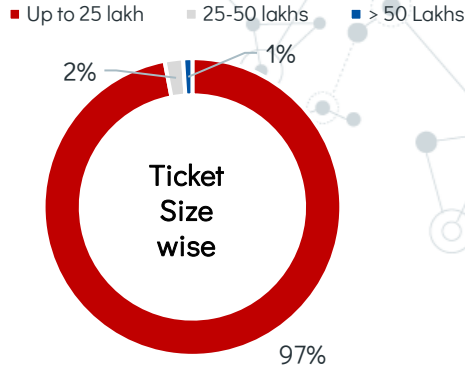
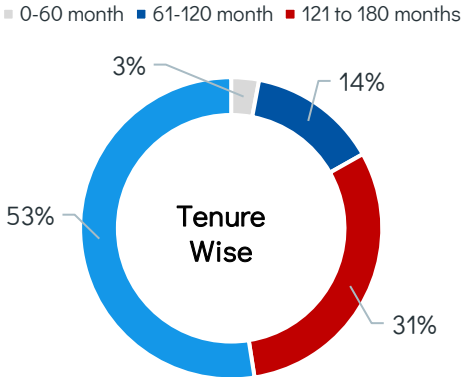
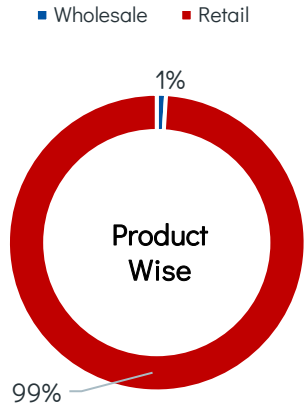
BOARD TRANSITION	
Before Oct 2019	As of Now
 <p>Promoter driven board with family members</p>	 <p>Professional characteristics getting developed with induction of BFSI professionals</p>
 <p>Limited professional representation on the Board</p>	   <ul style="list-style-type: none"> <li>Mr. A P Saxena, ex-NHB official inducted on the board</li> <li>Mr. A K Lakshmanan, ex LIC official inducted on the board</li> <li>Mr. P K Das, ex IDBI Bank official inducted on the board</li> </ul>

# NET WORTH STRENGTHENED CONSISTENTLY



Net worth crossed Rs. 100+ crs: Augmented through consistent equity infusion and PAT accretion

# KEY PORTFOLIO CUTS AS OF SEP 30, 2023



# COMPANY DEBT AS OF SEP 30, 2023



<b>Sanction Amt.</b>	Rs. 50.00 crs	Rs. 84.75 crs*	Rs. 12.00 crs	Rs. 10.00 crs	Rs. 12.92 crs	Rs. 10.00 crs
<b>Outstanding Amt.</b>	Rs. 35.48 crs	Rs. 55.17 crs	Rs. 5.53 crs	Rs. 8.26 crs	Rs. 8.39 crs	Rs. 8.66 crs
<b>No. of Credit Lines</b>	7	3	1	1	2	1



<b>Sanction Amt.</b>	Rs. 30.80 crs	Rs. 10.00 crs	Rs. 18.00 crs	Rs. 7.00 crs	Rs. 30.00 crs	Rs. 6.20 crs
<b>Outstanding Amt.</b>	Rs. 21.05 crs	Rs. 6.62 crs	Rs. 14.87 crs	Rs. 5.42 crs	Rs. 25.90 crs	Rs. 5.23 crs
<b>No. of Credit Lines</b>	4	2	2	2	11	2



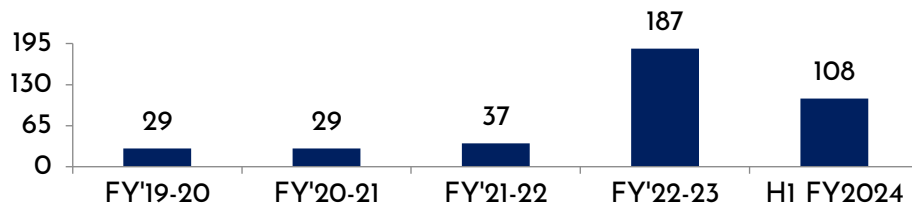
<b>Sanction Amt.</b>	Rs. 10.00 crs	Rs. 6.00 crs	Rs. 10.00 crs
<b>Outstanding Amt.</b>	Rs. 8.38 crs	Rs. 5.54 crs	Rs. 9.60 crs
<b>No. of Credit Lines</b>	3	1	1

\* Includes highest ever sanction of Rs. 50 crs from a single lender



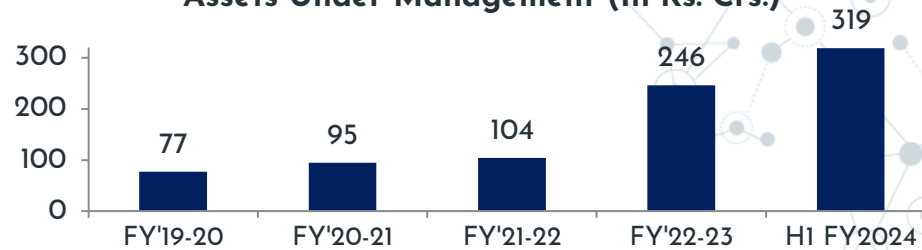
# BUSINESS HISTORICALS

## Disbursements (In Rs. Crs.)



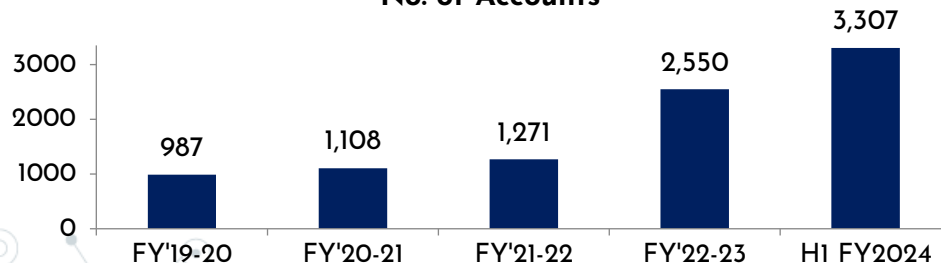
- FY'22-23 is the first growth year post capacity build up
- Average monthly disbursements of Rs.15-20 crs during the financial year

## Assets Under Management (In Rs. Crs.)

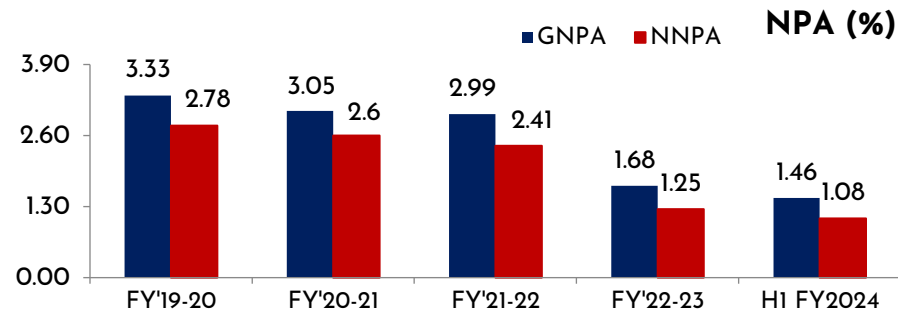


- 110%+ y-o-y growth registered in H1 FY'22-23
- AUM scaled up through on book disbursements and co-lending

## No. of Accounts



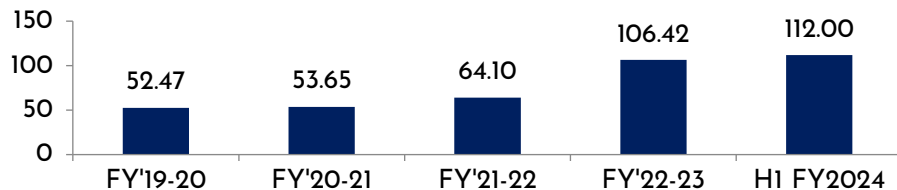
- 4000+ EWS/LIG customers served till date
- Incremental average loan size at Rs.12-13 lakhs for areas close to city centers and Rs.6-8 lakhs for rural areas



- GNPA and NNPA %age has consistently come down since FY'19-20
- Provisions on NPA, standard assets, special provisions and write offs provide 100% coverage on the GNPA

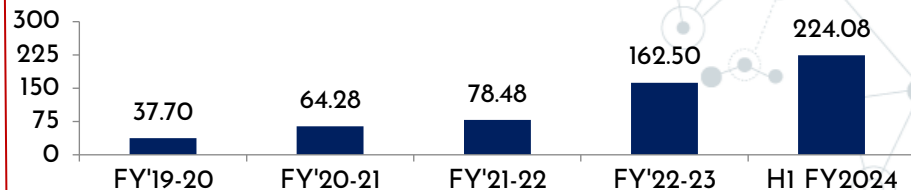
# FINANCIAL HISTORICALS

## Net Worth (In Rs. Crs.)



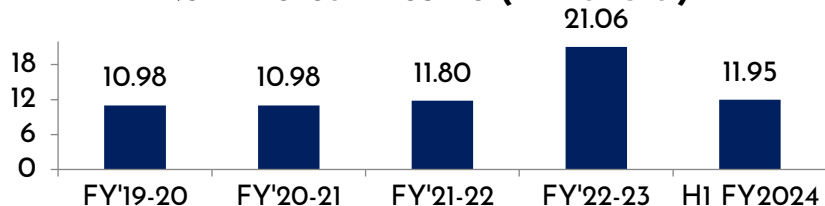
- Sequential increase in net worth through capital infusion and build up of reserves
- Rs.56.5 crs infused months through rounds of capital raise

## Borrowings (In Rs. Crs.)

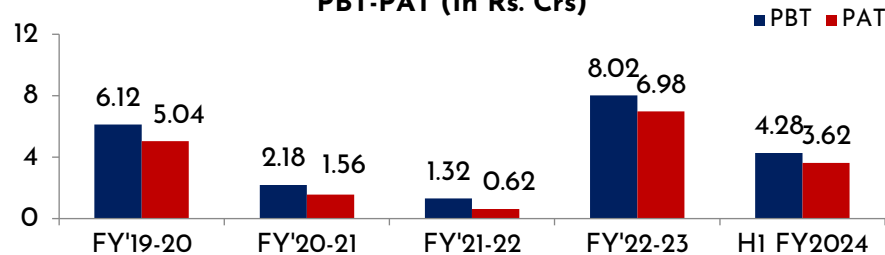


- Liability build up with focus on PSU Banks
- Established relationship with the NHB
- Strong funding pipeline to aid asset growth

## Net Interest Income (In Rs. Crs.)



## PBT-PAT (In Rs. Crs.)



- PAT accretion has helped build up of reserves and surplus
- Focus on build up of strong bottom line as AUM scales up

# H1 FY'23-24 BUSINESS AND FINANCIAL PERFORMANCE

Operating & Financial Performance (In Lakhs)	H1 FY2023-24	H1 FY2022-23	Y-o-Y Change
Disbursements	10830	7291	48.54%
Assets Under Management	31943	15229	109.75%
GNPA (%)	1.46%	2.54%	(1.08%)
NNPA (%)	1.08%	1.97%	(0.89%)
PBT	428.35	339.11	26.32%
PAT	362.25	241.25	50.16%
Borrowing O/s	22408	8561.38	161.75%
Leverage (x)	1.99	0.96	
ROE (%) (annualised)	6.62%	6.31%	
ROA (%) (annualised)	2.25%	2.83%	

**Business Numbers:** AUM increased 110% y-o-y to Rs. 319.43 crs. The Company disbursed Rs. 108.30 crs during the period registering y-o-y growth of 49%. Star HFL has now provided housing finance assistance cumulatively to more than 4000 Indian families in EWS/LIG segment towards purchase/construction of own home

**Asset Quality Remains Intact:** PAR (0+ days past due) stood at 4.52%, of which GNPA stands at 1.46% and NNPA as of Sep 30, 2023 stands at 1.08%

**Income Growth:** Interest income grew by 92.88% y-o-y while total income grew 75.53% y-o-y for the half year

**Profitability:** PBT and PAT registered 26.25% and 50.16% y-o-y growth respectively during the period

**Traction in Liability:** The Company received highest ever single sanction of Rs. 50 crs from the State Bank of India. During the period, Star HFL has raised Rs. 158.42 crs credit lines from 11 banks and financial institutions. The pipeline remains robust to cater to the growth aspirations for the second half of FY'2023-24

# FINANCIAL RESULTS: H1 FY2023-24

Particulars	Half Year Ended	
	30-09-2023	30-09-2022
<b>Assets</b>		
Cash & Cash Equivalents	31.15	19.48
Bank Balances Other than Cash & Cash equivalents	20.20	7.20
Loans	286.69	145.07
Investments	7.73	8.70
Other Financial Assets	3.42	2.87
<b>Total Financial Assets</b>	<b>349.18</b>	<b>183.31</b>
Deferred Tax Assets (Net)	0.93	0.32
Current Tax Assets (Net)	0.70	0.49
Property, Plant & Equipment	2.76	1.29
Intangible Assets	2.20	0.93
Rights to Use Assets	0	0.05
Other Non-Financial Assets	1.02	1.39
<b>Total Non-Financial Assets</b>	<b>7.61</b>	<b>4.47</b>
<b>Total Assets</b>	<b>356.79</b>	<b>187.78</b>
<b>Liabilities</b>		
Total Financial Liabilities	245.67	98.57
Total Non Financial Liabilities	0.74	0.32
Total Equity	110.38	88.90
<b>Total Liabilities and Equity</b>	<b>356.79</b>	<b>187.78</b>

Particulars	Half Year Ended	
	30-09-2023	30-09-2022
<b>Revenue from Operations</b>		
Interest Income	23.93	12.41
Fee & Commission income	0.81	0.37
Other operating income / loss on derecognition of financial assets	0.49	0.76
Net Gain / Loss on Fair Value Changes	0.34	0.12
Gain/loss on derecognition of financial Assets	0.39	0.11
Other Income	0	1.01
<b>Total Income</b>	<b>25.96</b>	<b>14.79</b>
<b>Expenses</b>		
Finance Cost	11.98	4.07
Impairment of Financial Instruments	0.89	0.19
Employee Benefit Expenses	5.92	3.14
Depreciation and Amortisation Expenses	0.30	0.15
Other Expenses	2.58	2.74
<b>Total Expenses</b>	<b>21.68</b>	<b>10.28</b>
<b>Profit Before Tax (PBT)</b>	<b>4.28</b>	<b>4.51</b>
Tax Expenses	0.66	0.98
<b>Profit After Tax (PAT)</b>	<b>3.62</b>	<b>3.53</b>

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# Thank You

For any questions, please connect  
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