

**HFFCIL/BSE/06/2020-21**

**Date: 20-08-2020**

To,  
**BSE Limited,**  
Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001.

**Sub: Disclosure of Material Impact of CoVID-19 pandemic under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)**

Dear Sir/Madam,

This disclosure is made in terms of Regulation 51(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20,2020. We enclose herewith the disclosure relating to the material impact of CoVID-19 pandemic on the operations and performance of the Company for the information of the Exchange and of the Debenture holders.

Kindly take the same record.

Thanking you,  
For **Home First Finance Company India Limited**

**Shreyans Bachhawat**  
**Company Secretary and Compliance Officer**  
**ACS NO: 26700**

**IMPACT OF COVID -19 PANDEMIC ON THE OPERATIONS AND PERFORMANCE OF THE COMPANY:**

Pursuant to SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20 2020, the following information is being submitted regarding the material impact of CoVID -19 pandemic on the operations and performance of the Company:

Sr No	Particulars	Response of the Company
1.	Impact of the CoVID -19 pandemic on the business.	As a direct result of lockdown and related measures implemented by the Government of India in response to Covid-19 pandemic, the operations of branches of the Company and collection activities pan India were temporarily impacted due to restrictions on movement. The Head Office and branches of the Company were closed for the period of lockdown in respective districts. The CoVID-19 pandemic has had an impact on the business of the Company in the short term.
2.	Ability to maintain operations including the factories/ units/ office spaces functioning and closed down.	During the lockdown phase when majority of the branches of the Company as well as the Head Office were closed, the business continuity plans of the Company were running smoothly with continuity of service to the customers. Also, the internal processes and controls were working well with minimal impact as all key applications are housed on the cloud.
3.	Schedule, if any for restarting the operations.	The Company is gearing up to adapt to the new normal within the SOPs laid down by the Governments including wearing face masks/covers, sanitization of hands and related equipment at its offices; and also resuming branch operations and collection activities in a graded manner in line with the “unlocking” of restrictions across districts in India. As on date majority of the branches of the Company as well as Head Office are functional.
4.	Steps taken to ensure smooth functioning of operations.	The Company has taken all precautionary measures like sanitising the premises on a regular basis, maintaining social distancing at work place, mandatory wearing of mask and instructing the employees to install Aarogya Setu App. A Daily Check App has been implemented for the employees to report their daily health status. Further, all the Board/Committee meetings of the Company are being held through video conferencing mode.
5.	Estimation of the future impact of CoVID -19 on its operations.	The Company is providing moratorium option on the EMIs for eligible customers as per the policy framed by it in line with the notifications issued by the Reserve Bank of India. Further, efforts are being made to facilitate collections from customers who have the capability to pay based on their circumstances. The impact, if material, will be informed to the Stock Exchanges and also will be posted on the website of the Company while disclosing the half-yearly financial results.
6.	Details of impact of CoVID -19 on the Company's • Capital and financial resources.	The Company is very well capitalized with CAR of 49.08% as on March 31, 2020 and our financial leveraging is low. The Company has allowed moratorium to customers as per RBI guidelines and hence collections are partially affected. However, it will have minimal

	<ul style="list-style-type: none"> <li>• Profitability.</li>   <li>• Liquidity position.</li>   <li>• Ability to service debt and other financing arrangements.</li>   <li>• Assets.</li>   <li>• Internal financial reporting and control.</li>   <li>• Supply chain.</li>   <li>• Demand for its products/ Services.</li> </ul>	<p>impact on our capital and financial resources given our strong liquidity position. Further, with the liquidity and other measures taken by the RBI and GOI; the Company has already raised fresh funding in Q1 FY21.</p> <p>In the current circumstances, the Company has re-calibrated its business strategy keeping sustainability and business continuity in mind and optimized the use of its resources by reducing discretionary spends. However, the profitability will be arrived during finalisation of half-yearly financial results for September 30, 2020 and will be disclosed separately.</p> <p>The Company has a diversified funding profile. Driven by the internal liquidity policy, it maintains a comfortable liquidity position with efficient fund management.</p> <p>The Company's ability to service debts and other financial debt commitment has not been affected.</p> <p>Majority of our assets are the customer loans. The company has granted the moratorium to its customers in line with the RBI circular dated March 27, 2020 and the same is being monitored by the Board. The NPA level of the portfolio may be impacted post moratorium completion.</p> <p>The Company has well established Loan management systems and various other applications as part of well-equipped and secured IT infrastructure framework to support its business processes, communications and customer details and loan records. There are well established systems and processes to ensure the complete, accurate, timely and valid transactions and its safeguard &amp; security. The Company uses back up procedures, restricted access to applications and other security restrictions. For critical applications, security policies and procedures are updated on a periodic basis</p> <p>The Company continues to provide services to its customers from both its offices and through online channels.</p> <p>The main business of the Company is financing and continue to have sufficient demand for its various products. The Company continues to be cautious in fresh sanctions and disbursements and has made the credit underwriting process more stringent to be relevant with the times.</p>
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7.	Existing contracts/ agreements where nonfulfillment of the obligations by any party will have significant impact on the company's business.	As on the date, no such agreements / contracts have been identified where non-fulfilment of the obligations by any party will have impact on the Company.
8.	Other relevant material updates about the Company's business.	There are no additional updates at this point in time. The Company will continue to closely monitor the changes, if any, due to economic conditions and in case of any material impact, the Company will inform the stock exchange separately and also will post the information on its website.
9.	Impact of the above on the Company's financial statements.	The Company shall disclose the impact of the CoVID-19 in its half-yearly financial results separately.