

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range
NIFTY	24181	23500	24501	25128	23380	23666-24455
BANK NIFTY	50787	49200	52000	51769	49405	49555-51897

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
HOME FIRST FINANCE	1102	871	1250	1165	998	Positive	Home First Finance Company India Limited is an Indian housing finance company in the affordable housing segment based in Mumbai and founded in 2010. It provides home loans, loan against property and home construction loans. The company does business across 282 touchpoints across Tier 1, Tier 2 and Tier 3 markets in 13 states and union territories. Home First Finance crossed the critical milestone of INR10,000 crores AUM during the quarter. Profit after tax grew by 27.0% year-on-year to INR88 crores, leading to an ROA of 3.6% and an ROE of 16.3%. Asset quality remains strong with 1+ DPD at 4.5%, 30+ DPD at 2.9%, and gross stage three NPA at 1.7%. Look to accumulate at CMP, targeting 1250 and then aggressive targets at 1400 with stop below 871. Holding Period: 12 months.

BUY HOME FIRST (CMP 1102, Targets 1400):

HOME FIRST FINANCE COMPANY INDIA LTD.

CMP	1102
Target Price	1400
Stop	871
52 Week H/L	1383/777
P/E	30.35
EPS (TTM)	36.38
Promoter Holding/DIIs/FIIs	23.38%/25.57%/12.41%
Book Value	240
Market Cap (INR)	9968

Theme: Home First Finance Company India Limited is an Indian housing finance company in the affordable housing segment based in Mumbai and founded in 2010. It provides home loans, loan against property and home construction loans. The company does business across 282 touchpoints across Tier 1, Tier 2 and Tier 3 markets in 13 states and union territories with a significant presence in emerging urban regions in the states of Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu. The company has diversified lead generating channels with a wide network of connectors.

Home First is young housing finance company and was founded in 2010 by former chairman and co-founder of Mphasis, Jerry Rao; former CEO and MD of Bank Of Baroda, PS Jayakumar; and Manoj Viswanathan, who previously worked with Citigroup India. It commenced operations in August 2010 after registering with the National Housing Bank, the regulatory and licensing body for housing finance companies in India.

Home First Finance Q1 2025 Earnings Highlights: Strong Growth in Disbursements and AUM

- # Home First Finance crossed the critical milestone of INR10,000 crores AUM during the quarter.
- # Disbursement in Q1 FY25 reached a new high of INR1,163 crores, growing by 29.9% year-on-year and 5.5% quarter-on-quarter.
- # Profit after tax grew by 27.0% year-on-year to INR88 crores, leading to an ROA of 3.6% and an ROE of 16.3%.
- # Asset quality remains strong with 1+ DPD at 4.5%, 30+ DPD at 2.9%, and gross stage three NPA at 1.7%.
- # Technology adoption is robust with 95% of customers registered on the app and 70% digital fulfillment using digital agreements and e-NACH mandates.

Summary:

- Disbursement: INR1,163 crores, up 29.9% YoY and 5.5% QoQ.
- Assets Under Management (AUM): INR10,478 crores, up 34.8% YoY and 8% QoQ.
- Profit After Tax (PAT): INR88 crores, up 27.0% YoY.
- Return on Assets (ROA): 3.6%.
- Return on Equity (ROE): 16.3%.
- Branch Count: 133 branches, with 22 new touch points added, totaling 343.
- Net Interest Margin (NIM): 5.3%.
- Operating Cost to Assets: 2.7%.
- Cost to Income Ratio: 35.6%.
- Gross Stage 3 NPA: 1.7%.
- Credit Cost: 20 basis points, up 10 basis points QoQ.
- Cost of Borrowing: 8.3%.
- Total Capital Adequacy: 36.2%, with Tier 1 at 35.8%.
- Debt to Equity Ratio: 3.6 times.
- Net Worth: INR2,188 crores.
- Book Value Per Share: INR246.
- Provision Coverage Ratio: 48%, prior to NPL reclassification; 66% as per RBI '21.
- Direct Assignment: INR152 crores during the quarter.

Technical Outlook: The stock is signaling a massive breakout on the upside after consolidating for 3-years. The stock is making higher high-low on the daily/weekly/monthly chart, and is fast approaching its psychological resistance area at 1400. Above 1400 mark, momentum buying quite likely,

Preferred Strategy: Look to accumulate at CMP, targeting 1250 and then aggressive targets at 1400 with stop below 871. Holding Period: 12 months.

Daily Chart of HOME FIRST FINANCE :

