

Press Note

Home First Finance Company India Pvt Ltd (HFFC) is a dedicated housing finance company that was set up in 2010. HFFC aims to serve the housing loan needs of low and middle income customers who are purchasing their first homes. HFFC was founded by former Mphasis Chairman - Jaithirth (Jerry) Rao and former Citibank Consumer Banking Head - P.S Jayakumar. The company has disbursed housing loans worth more than Rs 1,000 crores to over 10,000 families across 30 cities in the country.

HFFC has raised capital from Bessemer Venture Partners and Tata Capital Growth Fund in earlier rounds. The Company has been in discussions with prospective investors for raising around US\$ 50 million for its growth. The Company and its shareholders are now in advanced stages of discussions with True North, a leading private equity fund to invest around US\$ 100 million and acquire a majority stake in HFFC.

Commenting on the deal, Mr Jerry Rao said “HFFC has emerged as an outstanding company that leverages technology intelligently in order to ensure a quality customer experience at the base of the pyramid. My association with Home First has been and remains a source of great personal pride”

Commenting on the deal, Manoj Viswanathan, Chief Executive Officer of HFFC, said “HFFC has built a strong presence in the affordable housing finance segment in the country. We want to continue our bias towards using technology to create innovative products and processes for housing finance customers in India. True North has a great reputation for investing in mid-sized entities like HFFC and nurturing them into industry leaders. We are pleased to partner with them as we embark on this journey”

Divya Sehgal, Partner at True North commented “We have been keen to participate in the massive opportunity being offered by the Indian affordable housing sector. Towards this, we had an opportunity to evaluate many affordable housing finance companies in India. We believe that HFFC has a unique team and culture of doing business in a very transparent and socially responsible manner, which is a philosophy that resonates very well with True North. Since inception, the HFFC team has been able to grow the business at 50%+ CAGR in a profitable and prudent manner by leveraging latest technological tools. We are very excited about the prospect of supporting the HFFC team in building a leading and socially responsible affordable housing finance business in India.”

HFFC has received necessary approvals from National Housing Bank. The capital will be used for expanding the presence of the company (HFFC) to new geographies and reaching out to more customers in the affordable housing segment. The existing management and employees of HFFC will continue to run the company.