

Indiabulls Housing Finance issues India's 1st Social Affordable Housing Bond of 1,000 Crores.

YES BANK is sole arranger and subscriber to the Social Affordable Housing Bond

Mumbai, December 29, 2017: Indiabulls Housing Finance Limited (IBHFL) has issued India's 1st Social Affordable Housing Bond of INR 1,000 crores, with the proceeds being used towards financing the Affordable Housing sector. This landmark issue was solely arranged and subscribed by YES BANK, India's 5th largest private sector Bank.

The Bond issue is for a tenor of 5 years and is rated 'CRISIL AAA' by CRISIL and 'ICRA AAA' by ICRA. The Bond will be listed on the National Stock Exchange Limited (NSE) and Bombay Stock Exchange Limited (BSE).

The Social Affordable Housing Bond will conform to the Social Bond Principles 2017 issued by the International Capital Market Association (ICMA). KPMG in India will be providing the Assurance Services annually, on the use of proceeds, in-line with the Social Bond Principles.

The proceeds from the issue will be used towards financing and refinancing requirements in the 'Affordable Housing' sector in line with applicable laws including lending to individuals and developers under the Pradhan Mantri Awas Yojana.

The housing demand in India is vast. The existing housing shortage is estimated at 40 Mn units and demographic drivers like a growing population and rising urbanisation is expected add further demand of 10 Mn units annually. This presents an economic opportunity as the housing sector contributes approx. 5% to the GDP and, as a sector, is one of the largest employers employing both semi-skilled and unskilled labour. As part of its headline mission of "Housing for All by 2022" the Government for the first time has extended meaningful subsidy to mid-income affordable housing under Pradhan Mantri Awas Yojana (PMAY) by subsidising rates by as much as 4%. Underpinned by vast housing demand, which is further spurred by government policies and fiscal incentives, mid-income affordable housing represents a large credit opportunity.

Indiabulls Housing Finance has also received an approval to issue USD 750 Mn of Masala Bonds from Reserve Bank of India for which the end use is planned to be affordable housing.

Commenting on the bond transaction, Mr. Gagan Banga, Vice Chairman, MD & CEO of IBHFL, said, "With an average home loan ticket size of ₹ 25 lacs, Indiabulls Housing is a focussed affordable housing home loan lender. This pioneering Social Affordable Housing Bond underlines our commitment to be an important enabler in meeting the housing requirement of the nation.

I am also pleased that we could do this with a socially conscious organisation like YES BANK."

Speaking on the issue, Mr. Rana Kapoor, MD&CEO, said, "This 1st Social Affordable Housing Bond issue in India arranged by YES BANK reflects our leadership in enabling developmental impact using Sustainable Financing mechanisms including the issue of India's 1st Green Bond in 2015. We are certain that this issue will act as a catalyst for the Social Bonds market in India and create a benchmark for future issues in this space.

Affordable Housing will play a critical role in realising Government's vision of 'Housing for All' and we are glad to partner with Indiabulls Housing Finance to further this important national agenda."

About Indiabulls Housing Finance

Indiabulls Housing Finance Limited (IBHFL) is India's second largest private Housing Finance Company (HFC) and has a pan-India presence through branches in over 260 locations. IBHFL is a technology leader within its sector and is focussed on offering convenient, customer-centric and cost-effective home loans. In addition to the flagship home loan offering targeted mainly at the affordable housing segment, the company also offers loans against property to small businesses and small business owners and loans to real estate developers.

IBHFL has the highest long-term credit rating of AAA from all of the four leading Indian rating agencies, including CRISIL, a S&P Company, and ICRA, a Moody's Investors Service Company.

About YES BANK

YES BANK, India's fifth largest private sector Bank with a pan India presence across all 29 states and 7 Union Territories of India, headquartered in the Lower Parel Innovation District (LPID) of Mumbai, is the outcome of the professional & entrepreneurial commitment of its Founder Rana Kapoor and its Top Management team, to establish a high quality, customer centric, service driven, private Indian Bank catering to the future businesses of India.

YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers.

YES BANK has a knowledge driven approach to banking, and offers a superior customer experience for its retail, corporate and emerging corporate banking clients. YES BANK is steadily evolving as the Professionals' Bank of India with the long term mission of "BUILDING INDIA'S FINEST QUALITY LARGE BANK".

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