



**Indiabulls Housing Finance Limited announces its Q1 FY20 Financial Results**  
**Quarter PBT of ₹ 1,106 Cr.; PAT of ₹ 802 Cr.**

**For Immediate Use**

Mumbai, 6<sup>th</sup> August 2019: The Board of Directors of Indiabulls Housing Finance Ltd. (IBH), India's second largest housing finance company, announced its unaudited financial results for the quarter ended June 30<sup>th</sup>, 2019.

The numbers are reported under Indian Accounting Standards (Ind AS).

**Key Financials:**

<i>Particulars</i> (₹ Cr.)	<i>Q1 FY20</i>	<i>Q1 FY19</i>	<i>YoY</i> <i>Growth</i> (%)
<b>PBT</b>	1,106	1,402	-21.1%
<b>PAT</b>	802	1,055	-24.0%
<b>NII</b>	1,475	1,690	-12.7%
<b>CRAR</b>	27.81%	24.00%	

An interim dividend of ₹ 8 per share of face value ₹ 2/-, amounting to 400%, has been declared in the board meeting held on August 6, 2019.

**Highlights Q1 FY19-20**

- PBT for Q1 FY20 is at ₹ 1,106 Cr.
- PAT for Q1 FY20 is at ₹ 802 Cr.
- Loan Assets are at ₹ 1,13,189 Cr
- Balance sheet size as at end of Q1 FY20 is at ₹ 1,20,947 Cr
- Commercial Paper is down to ₹ 1,060 Cr. which is less than 1% of funding
- Capital adequacy stands at 27.81%
- Liquidity Coverage ratio [LCR] at 552% as at end of June 2019. NBFC/HFC are required to maintain 60% LCR from April 2020 onwards, which will increase every year to 100% by April 2024

**Merger Update:**

The merger proposal received the approval from Competition Commission of India [CCI] in June 2019

Application for approval of merger has been made to RBI, NSE and BSE

To ensure continuity, the Board of Directors of IBH has recommended that Mr. Sameer Gehlaut be proposed as the non-executive chairman, and Mr. Gagan Banga as the MD and CEO, of the amalgamated bank

The amalgamated bank will focus on the MSME/LAP loans and housing loans business opportunities. CRE exposure is reducing through refinancing etc



We look forward to a decision from the regulator on our merger application in the next 45 to 60 days

**Reduction in Real Estate Exposure:**

Since the announcement of merger in April 2019, IBH has reduced its CRE exposure by ₹ 6,005 Cr. from refinance etc. These assets have been bought/ refinanced by some of the most marquee names in the industry, which is testament to the quality of our developer loan portfolio

**Asset Liability Management, Strong Liquidity Position, High Capital Adequacy levels and comfortable provisioning buffer**

As on June 30 2019 IBH had cash and liquid investments of ₹ 28,511 Cr., in line with its principle of maintaining high liquidity on its balance sheet.

Since September 2018, IBH has raised ₹ 6,355 Cr in bonds which were subscribed by 12 Life/ General Insurance companies, Mutual Funds, Banks and Corporates

IBH reduced CP borrowings to ₹ 1,060 Cr. which now constitutes to less than 1% of its funding. This is in-line with our operating principle to cap CPs at 5% of funding. The net gearing as at end of Q1 FY20 stood at 3.8x.

Our focus over the several quarters in raising long term borrowings has translated into a spread out borrowings repayment schedule. Healthy liquidity on balance sheet combined with quarterly customer repayments has ensured that our ALM is significantly positive for every quarter for the next 10 years.

The company's capital position is very strong, at the end of June 2019, IBH's Capital adequacy was at 27.81%, compared with present regulatory requirement of 12%, and proposed gradual increase to 15%

In the last 9 months the real estate sector has undergone a thorough stress test despite this IBH's book's asset quality remains at par with the best in the HFC sector. Further, the reduction in the CRE book through refinance underlines the marquee quality of the assets underlying our loans.

IBH's prudent ECL model ensures that provision levels are comfortable not only on the NPA loans but also on loans in lower delinquency buckets.



**Mr. Gagan Banga, Vice Chairman and MD, IBH commented that,**

“As we await the regulatory decision on our merger application, which I expect in the next 45 to 60 days, we are focused on incremental loan book growth coming from MSME/LAP loans and housing loans.

Even in the period where the real estate sector has been going through a stress test, our CRE book has seen a good amount of refinance, which speaks to the quality of the underlying assets. The head room created by run down of the CRE book permits us to further cater to MSME/LAP and housing loans.

We are comfortably placed on liquidity, ALM and capital levels and remain poised to make the most of growth opportunity in retail loans within our target segments.

#### **About Indiabulls Housing Finance Limited**

IBH is India’s 2nd largest Housing Finance Company. IBH enjoys the highest long-term credit rating of AAA from all of the four leading rating agencies in India. IBH has a balance sheet size of ₹ 1,20,947 Cr. and provides quick, convenient and competitively priced home loans in the affordable housing segment