

Indiabulls HOME LOANS

Indiabulls Housing Finance Limited
(CIN: L65922DL2005PLC136029)
Unaudited Consolidated Financial Results
for the quarter and nine months ended December 31, 2019

(Rupees in Crores)

Statement of Consolidated Unaudited Results for the quarter and nine months ended December 31, 2019

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.19	30.09.19	31.12.18	31.12.19	31.12.18	31.03.19
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations						
(i) Interest Income	2,669.54	3,068.37	3,697.39	9,084.07	11,250.65	14,855.95
(ii) Dividend Income	434.19	280.12	-	714.31	0.78	472.60
(iii) Fees and commission Income	57.19	74.62	69.42	271.73	328.09	449.97
(iv) Net gain on fair value changes	-	-	235.83	-	701.87	568.05
(v) Net gain on derecognition of financial instruments under amortised cost category	208.24	57.38	469.99	320.07	528.71	673.05
Total Revenue from operations	3,369.16	3,480.49	4,472.63	10,390.18	12,810.10	17,019.62
2 Other Income	0.60	0.91	5.34	2.63	7.13	7.42
3 Total Income (1+2)	3,369.76	3,481.40	4,477.97	10,392.81	12,817.23	17,027.04
4 Expenses						
Finance Costs	2,055.39	2,168.07	2,446.99	6,592.63	7,351.18	9,725.53
Net loss on fair value changes	327.26	60.95	-	37.26	-	-
Impairment on financial instruments (net of recoveries)	142.77	236.73	308.01	527.09	413.13	577.58
Employee Benefits Expenses	149.17	147.43	205.39	484.53	610.74	777.45
Depreciation, amortization and impairment	20.47	30.40	11.37	79.91	30.74	42.75
Other expenses	61.55	90.44	118.70	204.88	234.94	299.75
Total expenses	2,756.61	2,734.02	3,090.46	7,926.30	8,640.73	11,423.06
5 Profit before tax (3-4)	613.15	747.38	1,387.51	2,466.51	4,176.50	5,603.98
6 Tax expense						
Current tax expense	91.74	63.74	171.59	627.79	940.03	1,192.70
Deferred Tax Charge / (Credit)	(25.46)	(18.54)	243.10	(200.35)	180.05	353.49
Total Tax Expense	66.28	45.20	414.69	427.44	1,120.08	1,546.19
7 Profit for the Period / Year (5-6)	546.87	702.18	972.82	2,039.07	3,056.42	4,057.79
8 Add: Share of Profit of Associate	4.83	7.34	12.69	23.67	27.96	32.74
9 Profit for the period / year attributable to Minority Interest (7+8)	551.70	709.52	985.51	2,062.74	3,084.38	4,090.53
10 Less: Share of Profit attributable to Minority Interest	-	-	-	-	-	-

11	Profit for the period / year attributable to the Shareholders of the Company (9-10)	551.70	709.52	985.51	2,062.74	3,084.38	4,090.53
12	Other comprehensive income						
	Other comprehensive income / loss (net of tax)	(48.29)	(162.99)	(21.92)	(162.16)	51.73	(5.34)
13	Total comprehensive income (after tax) (11+12)	503.41	546.53	963.59	1,900.58	3,136.11	4,085.19
14	Paid-up Equity Share Capital	85.51	85.51	85.47	85.51	85.47	85.48
15	Earnings per Share (EPS) before extraordinary items <i>*(EPS for the quarters and nine months are not annualised)</i>						
	-Basic (Amount in Rs.)	12.90	16.59	23.09	48.25	72.29	95.83
	-Diluted (Amount in Rs.)	12.90	16.55	22.95	48.23	71.76	95.26
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) after extraordinary items <i>*(EPS for the quarters and nine months are not annualised)</i>						
	-Basic (Amount in Rs.)	12.90	16.59	23.09	48.25	72.29	95.83
	-Diluted (Amount in Rs.)	12.90	16.55	22.95	48.23	71.76	95.26
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
16	Items exceeding 10% of Total Expenses						
	-ECL for Loan assets / Bad Debts Written Off (Net)	142.77	236.74	308.01	527.09	413.13	577.58
	-Expenditure on Corporate Social Responsibility	21.24	44.30	69.20	65.53	69.51	69.51

Notes to the Financial Results:

- The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.
- The consolidated financial results of Indiabulls Housing Finance Limited ('IBHFL', 'the Company') for the quarter and nine months ended December 31, 2019 have been reviewed by the Audit Committee on February 04, 2020 and subsequently approved at the meeting of the Board of Directors held on February 05, 2020. The consolidated financial results have been subjected to a limited review by the Statutory Auditors of the Company.
- Net gain on derecognition of financial instruments under amortised cost category for the nine months ended 31 December 2019 comprises Net gain on direct assignment of loans and net gain on derecognition of non-convertible debentures issued by the Company and For the quarter ended 31 December 2019 it mainly comprises of net gain on derecognition of non-convertible debentures issued by the Company.
- The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the financial statements. The matter is sub judice and pending with the Delhi High Court.
- At 31 December 2019, the Company (on a Standalone basis) recorded a total provision of Rs. 1,413.76 Crores (31 March 2019: Rs. 930.93 Crores) against total loans and advances amounting to Rs. 68,815.19 Crores (31 March 2019: Rs. 76,849.90 Crores). The Company is required to transfer at least 20% of its profit after tax to a special reserve fund as per the requirement of Section 29C of National Housing Bank ("NHB") Act, 1987. In terms of NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004, the Company is permitted to withdraw from the said reserve fund if it has created such special reserve in excess of the statutory minimum of 20% for any business purposes subject to suitable disclosure in the balance sheet. At 31 December 2019, a cumulative balance of Rs. 964.71 Crores of such excess reserve is available to the Company for utilization for any business purpose including loan loss provisions.
- The Group has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the quarter and nine months ended December 31, 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.
- In the standalone financial statements of Indiabulls Housing Finance Limited, the investment in Oak North Holdings Limited has been accounted for on fair value basis resulting in a net increase in total equity (net worth) of Rs. 1,882.96 crores to Rs. 17,396.59 crores. The consolidated total equity (net worth) does not yet include impact of fair valuation of this investment. Consolidated equity would have increased to Rs. 19,018.97 crores, had this been implemented at the consolidated level also.
- The Group's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.
- Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

Indiabulls HOME LOANS

Indiabulls Housing Finance Limited
(CIN: L65922DL2005PLC136029)
Unaudited Standalone Financial Results
for the quarter and nine months ended December 31, 2019

(Rupees in Crores)

Statement of Standalone Unaudited Results for the quarter and nine months ended December 31, 2019

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.19	30.09.19	31.12.18	31.12.19	31.12.18	31.03.19
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations						
(i) Interest Income	2,342.36	2,596.26	3,326.58	7,750.41	10,351.91	13,538.10
(ii) Dividend Income	387.97	280.12	-	668.09	0.38	385.12
(iii) Fees and commission Income	35.85	52.43	51.00	190.14	189.90	258.22
(iv) Net gain on fair value changes	-	-	220.90	-	665.20	616.78
(v) Net gain on derecognition of financial instruments under amortised cost category	207.32	56.10	442.23	311.81	492.06	609.13
Total Revenue from operations	2,973.50	2,984.91	4,040.71	8,920.45	11,699.45	15,407.35
2 Other Income	2.64	3.16	4.98	8.78	30.17	31.77
3 Total Income (1+2)	2,976.14	2,988.07	4,045.69	8,929.23	11,729.62	15,439.12
4 Expenses						
Finance Costs	1,885.13	1,955.22	2,265.62	5,965.33	6,857.28	9,057.11
Net loss on fair value changes	364.86	77.54	-	104.60	-	-
Impairment on financial instruments (net of recoveries)	98.41	180.30	116.88	400.37	178.36	213.12
Employee Benefits Expenses	136.85	134.98	190.96	446.89	567.90	723.08
Depreciation, amortization and impairment	18.14	27.84	9.90	72.47	26.49	36.97
Other expenses	54.49	80.32	108.44	181.88	204.77	261.22
Total expenses	2,557.88	2,456.20	2,691.80	7,171.54	7,834.80	10,291.50
5 Profit before tax (3-4)	418.26	531.87	1,353.89	1,757.69	3,894.82	5,147.62
6 Tax expense						
Current tax expense	55.70	44.90	183.40	473.80	869.70	1,079.20
Deferred Tax (Credit) / Charge	(14.67)	(23.12)	217.83	(182.49)	171.25	339.16
Total Tax Expense	41.03	21.78	401.23	291.31	1,040.95	1,418.36
7 Profit for the Period / Year (5-6)	377.23	510.09	952.66	1,466.38	2,853.87	3,729.26
8 Other comprehensive income						
Other comprehensive income / loss (net of tax)	108.21	(163.28)	(187.26)	(79.76)	(54.68)	(66.84)
9 Total comprehensive income (after tax) (7+8)	485.44	346.81	765.40	1,386.62	2,799.19	3,662.42
10 Paid-up Equity Share Capital	85.51	85.51	85.47	85.51	85.47	85.48

11	Earnings per Share (EPS) before extraordinary items <i>*(EPS for the quarters and nine months are not annualised)</i>						
	-Basic (Amount in Rs.)	8.82	11.93	22.32	34.30	66.89	87.37
	-Diluted (Amount in Rs.)	8.82	11.90	22.18	34.29	66.40	86.85
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) after extraordinary items <i>*(EPS for the quarters and nine months are not annualised)</i>						
	-Basic (Amount in Rs.)	8.82	11.93	22.32	34.30	66.89	87.37
	-Diluted (Amount in Rs.)	8.82	11.90	22.18	34.29	66.40	86.85
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
12	Items exceeding 10% of Total Expenses						
	-ECL for Loan assets / Bad Debts Written Off (Net)	98.41	180.29	116.88	400.37	178.36	213.12
	-Expenditure on Corporate Social Responsibility	19.45	40.73	65.19	60.17	65.49	65.49
Notes to the Financial Results:							
1	The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India.						
2	The standalone financial results of Indiabulls Housing Finance Limited ('IBHFL', 'the Company') for the quarter and nine months ended December 31, 2019 have been reviewed by the Audit Committee on February 04, 2020 and subsequently approved at the meeting of the Board of Directors held on February 05, 2020. The standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.						
3	Net gain on derecognition of financial instruments under amortised cost category for the nine months ended 31 December 2019 comprises Net gain on direct assignment of loans and net gain on derecognition of non-convertible debentures issued by the Company and For the quarter ended 31 December 2019 it mainly comprises of net gain on derecognition of non-convertible debentures issued by the Company.						
4	The Rating details from ICRA Ratings is as under:-						
	Long term Bank Facilities of Rs. 470.00 Billion	[[ICRA] AA+					
	Non-convertible debenture programme of Rs. 452.00 Billion	[[ICRA] AA+					
	Subordinated Debt Programme of Rs. 50.0 Billion	[[ICRA] AA+					
	Commercial Paper Programme of Rs. 250.00 Billion	[[ICRA] A1+					
	Retail bonds Programme of Rs. 150.00 Billion	[[ICRA] AA+					
5	The Rating details from CARE Ratings is as under:-						
	Non-convertible debentures of Rs. 372.035 Billion	CARE AA+					
	Subordinate Debt of Rs. 50.00 Billion	CARE AA+					
	Perpetual Debt of Rs. 2.00 Billion	CARE AA					
	Long-term / Short-term Bank Facilities of Rs. 525.00 Billion	CARE AA+ / CARE A1+					
	Public Issue of Non-Convertible Debentures of Rs. 68.0114 Billion	CARE AA+					
	Public Issue of Subordinate Debt of Rs. 1.9886 Billion	CARE AA+					
	Commercial Paper issue of Rs. 150.00 Billion	CARE A1+					
6	The Rating details from CRISIL Ratings is as under:-						
	Non-Convertible Debentures of Rs. 301.80 Billion (Reduced from Rs. 343.00 Billion)	CRISIL AA+					
	Total Bank Loan Facilities of Rs. 245.4998 Billion	CRISIL AA+					
	Retail Bonds of Rs. 150.00 Billion	CRISIL AA+					
	Short Term Non-Convertible Debenture of Rs. 10.00 Billion	CRISIL A1+					
	Subordinated Debt of Rs. 25.0 Billion	CRISIL AA+					
	Commercial Paper Programme of Rs. 250.00 Billion	CRISIL A1+					

7 **The Rating details from Brickwork Ratings is as under:-**

NCD Issue of Rs. 270.00 Billion	BWR AA+
Subordinate Debt Issue Program of Rs. 30.00 Billion	BWR AA+
Perpetual Debt Issue of Rs. 1.50 Billion	BWR AA
Secured NCD (Public Issue) and Subordinated Debt (Public Issue) of Rs. 70.00 Billion	BWR AA+

8 **The Rating details from Moody's Ratings is as under:-**

Long Term Corporate Family Rating	B2
Foreign and Local Currency Senior Secured MTN program Rating of \$ 350 Mn	(P) B2

9 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the quarter and nine months ended December 31, 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.

10 The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the financial statements. The matter is sub judice and pending with the Delhi High Court.

11 At 31 December 2019, the Company recorded a total provision of Rs. 1,413.76 Crores (31 March 2019: Rs. 930.93 Crores) against total loans and advances amounting to Rs. 68,815.19 Crores (31 March 2019: Rs. 76,849.90 Crores). The Company is required to transfer at least 20% of its profit after tax to a special reserve fund as per the requirement of Section 29C of National Housing Bank ("NHB") Act, 1987. In terms of NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004, the Company is permitted to withdraw from the said reserve fund if it has created such special reserve in excess of the statutory minimum of 20% for any business purposes subject to suitable disclosure in the balance sheet. At 31 December 2019, a cumulative balance of Rs. 964.71 Crores of such excess reserve is available to the Company for utilization for any business purpose including loan loss provisions.

12 The Company's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.

13 The third interim dividend of Rs. 7/- per equity share (350% of the face value of Rs. 2/- per equity share) was approved at the meeting of the Board of Directors of the Company held on November 06, 2019 and the Company had transferred Rs. 299.30 Crores (excluding corporate dividend tax) on November 08, 2019 into the designated Dividend Account.

14 The Board of Directors of the Company at its meeting held on February 05, 2020 has declared fourth interim dividend of Rs. 6/- per equity share.

15 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

Registered Office: M-62&63, First Floor, Connaught Place, New Delhi- 110 001.

For and on behalf of the Board of Directors

Place : Mumbai

Date : February 05, 2020

Gagan Banga

Vice-Chairman, Managing Director & CEO