



Indiabulls Housing Finance Limited

(CIN: L65922DL2005PLC136029)

Audited Financial Results – FY 2013-14

April 23, 2014

Safe Harbour Statement

This document contains certain forward-looking statements based on current expectations of Indiabulls management. Actual results may vary significantly from the forward-looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India, volatility in interest rates and in Securities markets, new regulations and government policies that might impact the business of Indiabulls, the general state of the Indian economy and the management's ability to implement the company's strategy. Indiabulls doesn't undertake any obligation to update these forward-looking statements.

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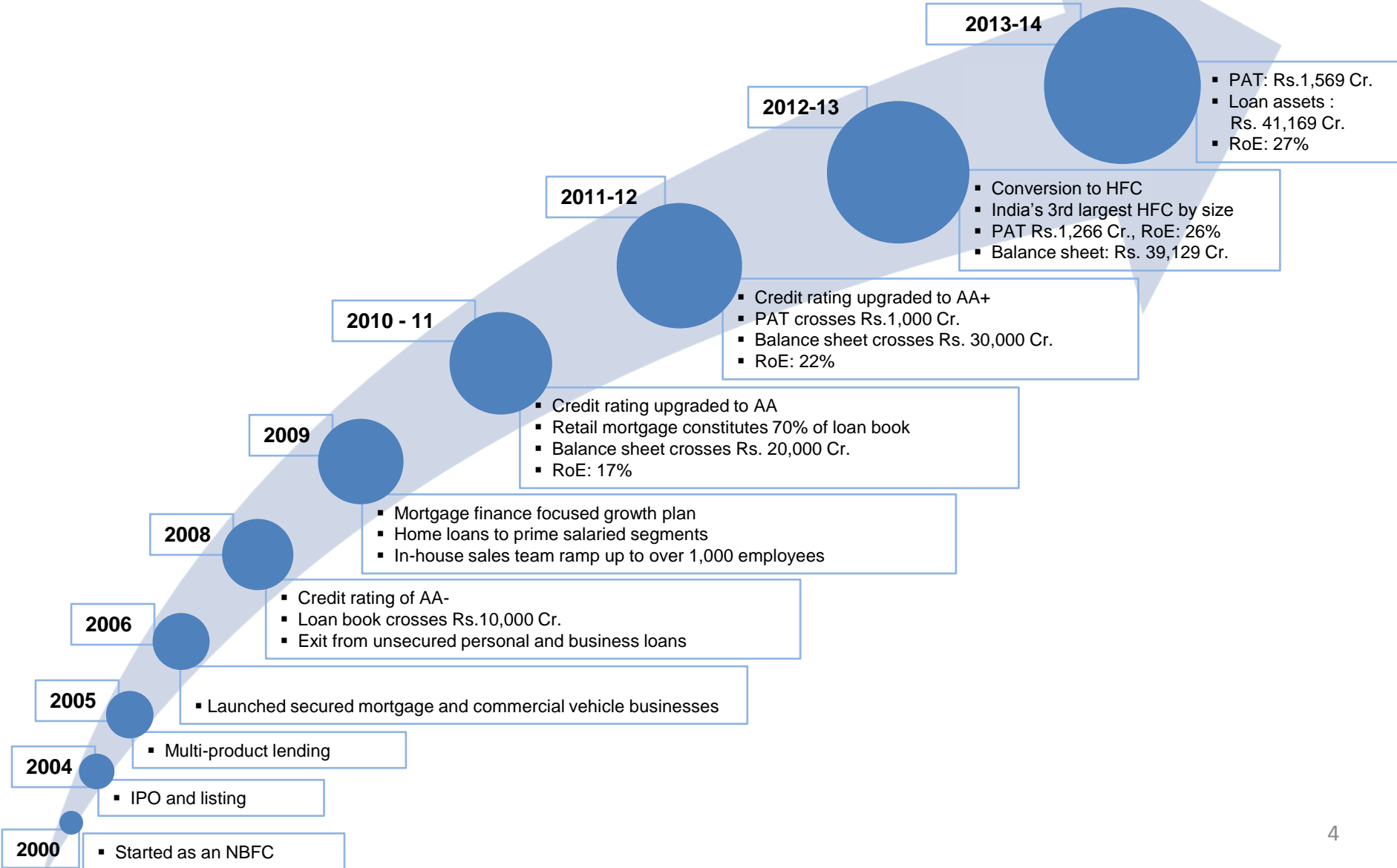
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Our Journey



Business Update

Business Update

Key Financial Highlights: FY13-14

	FY 12-13	FY 13-14	Growth (%)
Total Revenues (Rs. Cr.)	4,777.87	5,961.31	24.77%
NII (Rs. Cr.)	2,130.42	2,607.47	22.39%
PAT (Rs. Cr.)	1,265.99	1,568.54	23.90%
EPS (Rs.)	40	48	19.33%
RoE%	26%	27%	
CRAR%	18.47	19.12	

Year-on-Year (Y-o-Y) Comparison – Q4 FY13-14 v/s Q4 FY12-13

	Q4 FY 12-13	Q4 FY 13-14	Growth (%)
Total Revenues (Rs. Cr.)	1,333.89	1,568.63	17.60%
NII (Rs. Cr.)	628.82	704.83	12.09%
PAT (Rs. Cr.)	367.59	451.51	22.83%
EPS (Rs.)	11.73	13.52	15.26%

Dividend of Rs. 9 per share has been declared. With this, the total dividend (including interim dividends of Rs. 20 per share already paid) will be Rs. 29 per share for FY 2013-14

Business Summary

- | | | |
|---------------------|---|----------------|
| • Loans Outstanding | : | Rs. 41,169 Cr |
| (March 31, 2014) | : | (US\$ 6.86 bn) |

- | | | |
|----------------------------|---|------|
| • Loan Book CAGR (6 years) | : | 26 % |
|----------------------------|---|------|

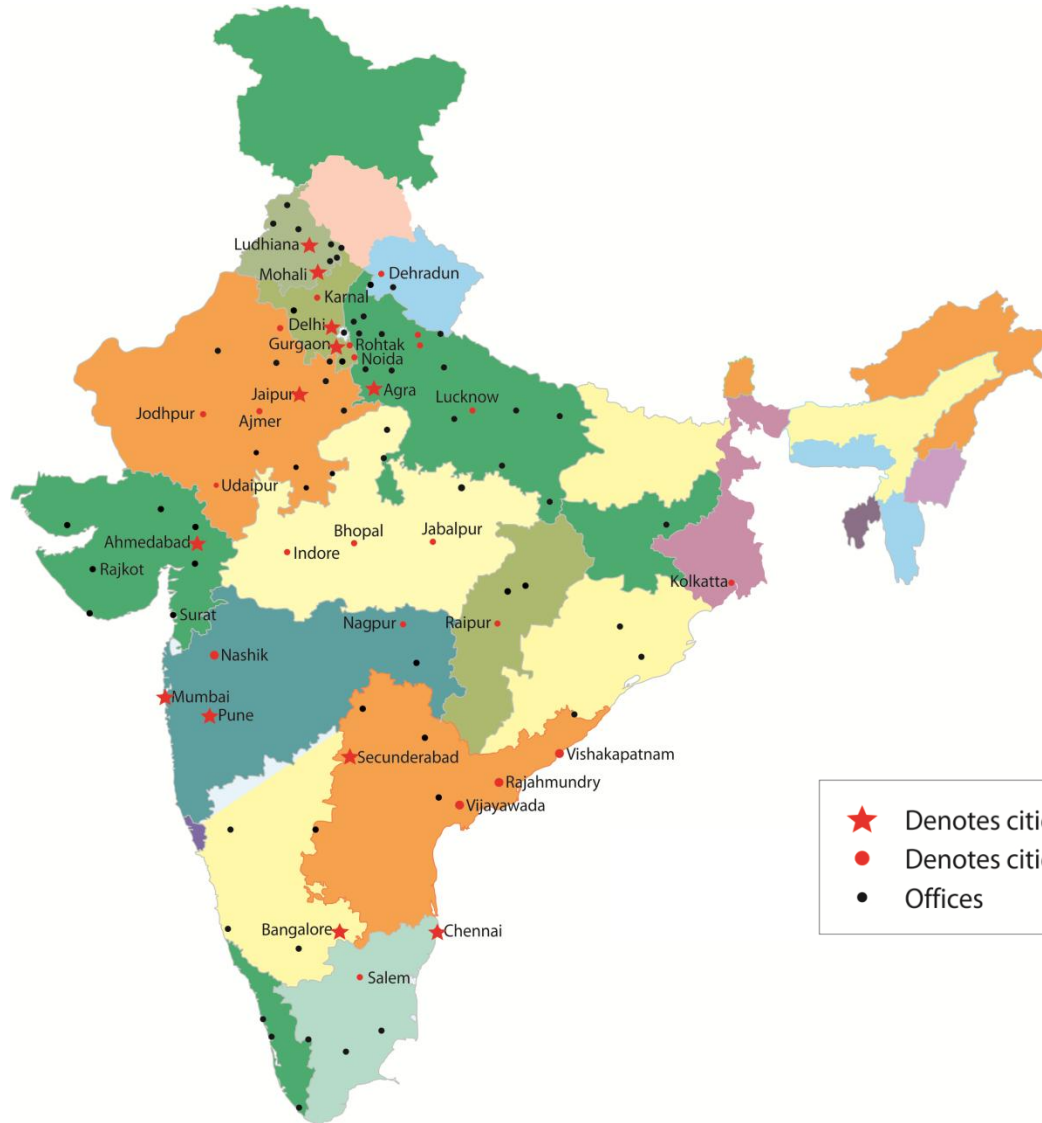
- | | | |
|--|---|-----------|
| • Cumulative Loans given to retail Customers | : | 5.95 Lakh |
|--|---|-----------|

- | | | |
|--|---|-----------------|
| • Cumulative Loans Disbursed till date | : | Rs. 86,300 Cr |
| | : | (US\$ 14.38 bn) |

- | | | |
|----------------------------------|---|-----|
| • Cost to Income Ratio (FY 2014) | : | 17% |
|----------------------------------|---|-----|

- | | | |
|-----------------------------------|---|-----|
| • Profit After Tax CAGR (6 years) | : | 20% |
|-----------------------------------|---|-----|

Country-wide Reach



Number of Outlets

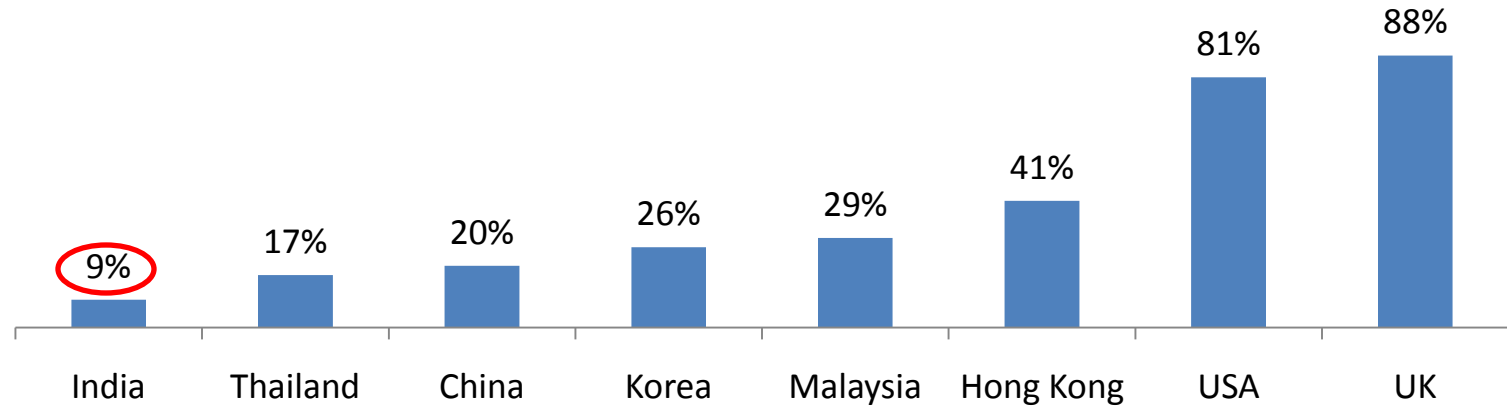
2010	140
2011	163
2012	180
2013	200
2014	205

- ★ Denotes cities with 3 or more offices
- Denotes cities with 2 offices
- Offices

Indian Mortgage Market

Indian Mortgage Market

Headroom for Growth - Low Mortgage Penetration

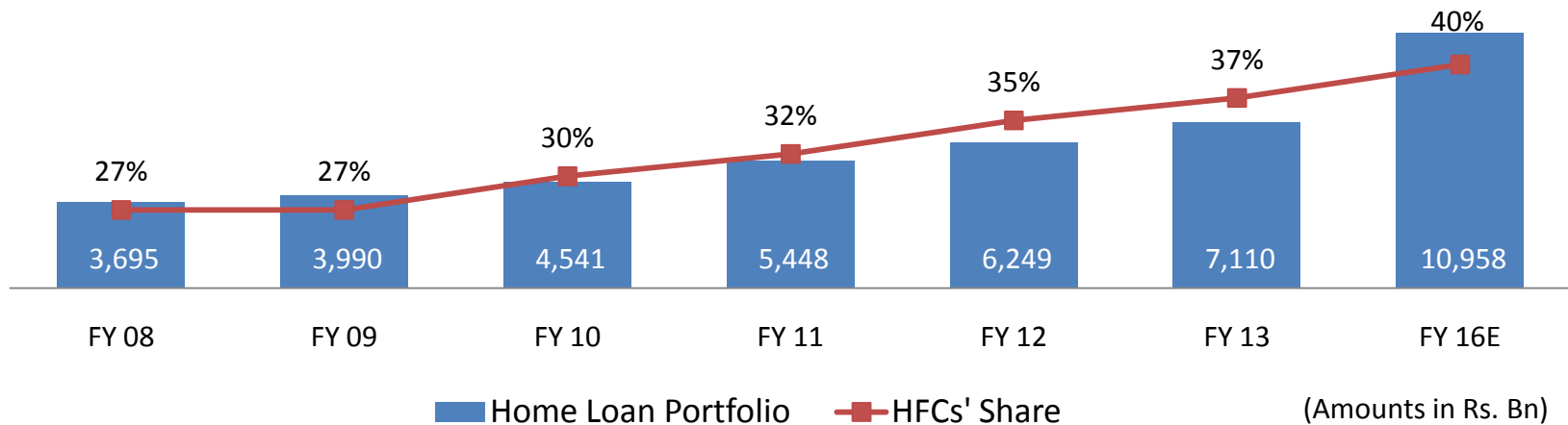


Source: National Housing Bank, 2013

- Lower mortgage penetration compared to advanced and emerging economies implies huge opportunity for growth
- Indian mortgage industry at an inflection point and is expected to grow five-fold in next 10 years

Indian Mortgage Market

Growing HFC Market Share in a Steadily Expanding Home Loans Market



Source: RBI Database, NHB Reports, CRISIL, & ICRA Estimates

High demand growth driven by:

- Increasing Affordability: Rising disposable incomes coupled with low effective interest rate of only 5.69% after tax benefits
- Average age of house owner has reduced to 35 years from 43 years in FY2000²
- Urbanisation to rise to 40% of population by 2025 from the current 31%¹
- Urban Housing Shortage: estimated at 31.9 million units by 2016²
- Favourable Demographics: 60% of the country's population is below 30 years of age³

1 – NHB Report, 2012

2 – CRISIL Report

3 – Census 2011

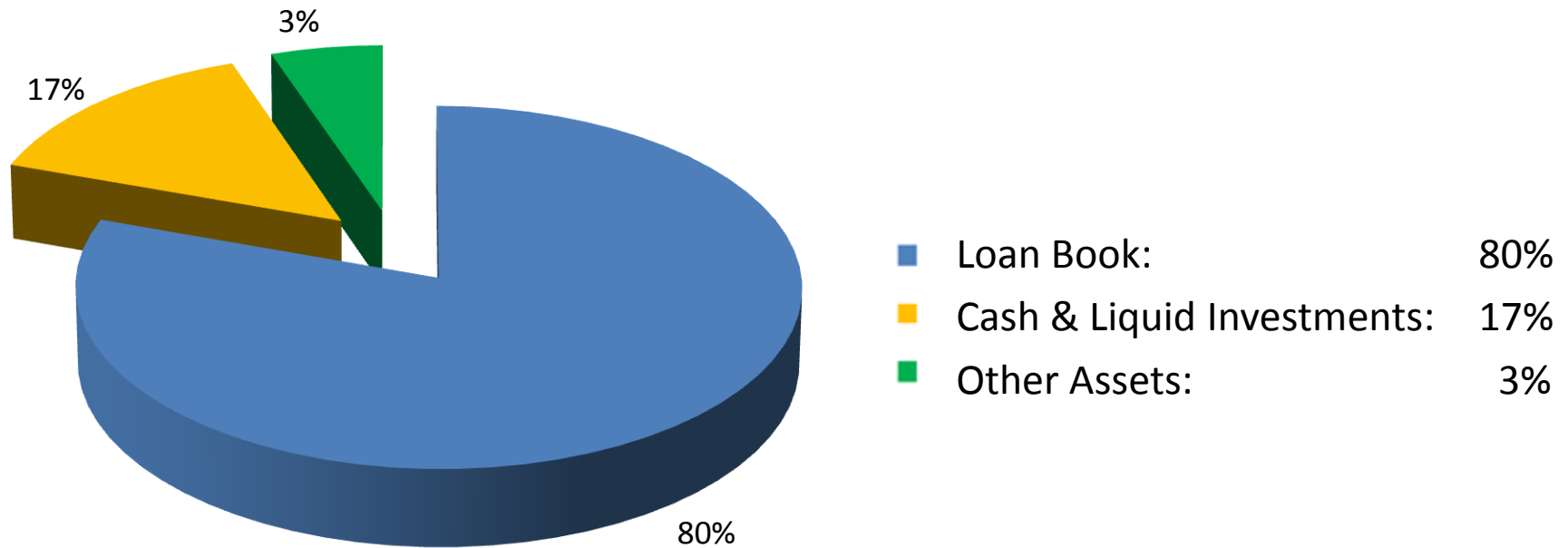
Indian Mortgage Market

Tax Incentives – Low Effective Interest Rates

Particular	2014	2010	2000
Loan Amt (Rs)	2,500,000	2,500,000	2,500,000
Nominal Interest Rate(%)	10.25%	9.25%	13.25%
Max deduction for interest allowed	150,000	150,000	75,000
Deduction Principal	100,000	100,000	20,000
Tax Rate applicable	30.90%	30.90%	34.50%
Tenor(Yrs)	15	15	15
Total amount paid per year	352,830	327,878	384,521
Interest component	252,830	227,878	327,893
Principal component	100,000	100,000	56,628
Tax amount saved	77,250	77,250	32,775
Effective Interest paid on home loan	175,580	150,628	295,118
Effective interest rate on home loan	7.02%	6.03%	11.80%

Financial and Operational Highlights

Balance Sheet Assets



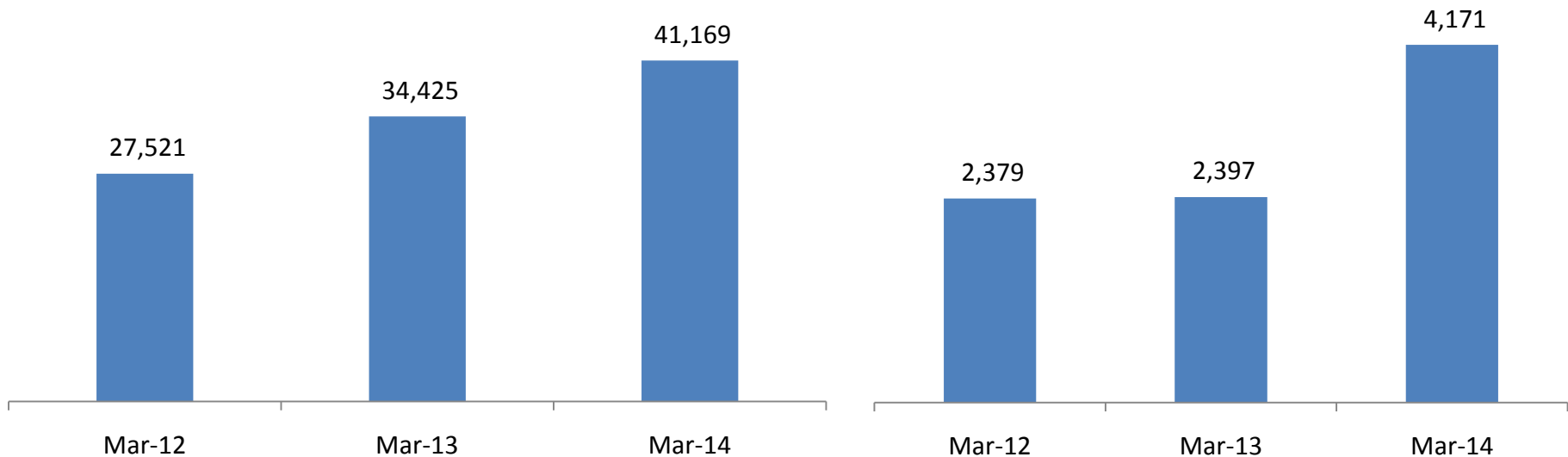
Total Assets	
As at March 31, 2014	Rs. 44,418 Cr. (US\$ 7.40 bn)
As at March 31, 2013	Rs. 39,129 Cr. (US\$ 6.52 bn)

* Cash, Cash Equivalents and Investments in Liquid Debt Instruments
US \$ amounts are converted based on the exchange rate of US \$1 = Rs. 60

Loan Book Growth

Total Loan Assets (Rs. Cr.)

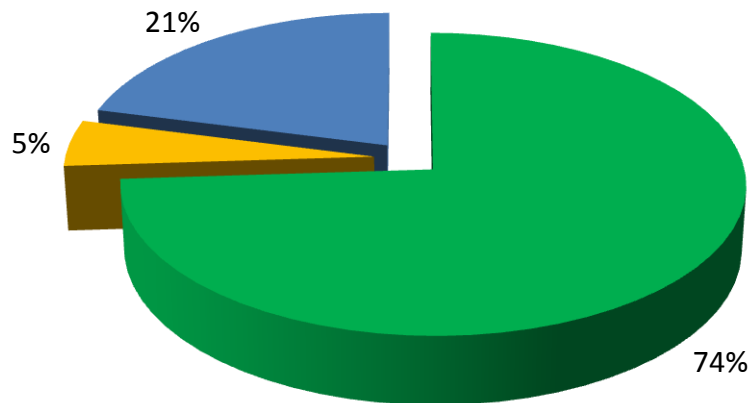
Loans Sold (Rs. Cr.)
(in preceding 12 months)



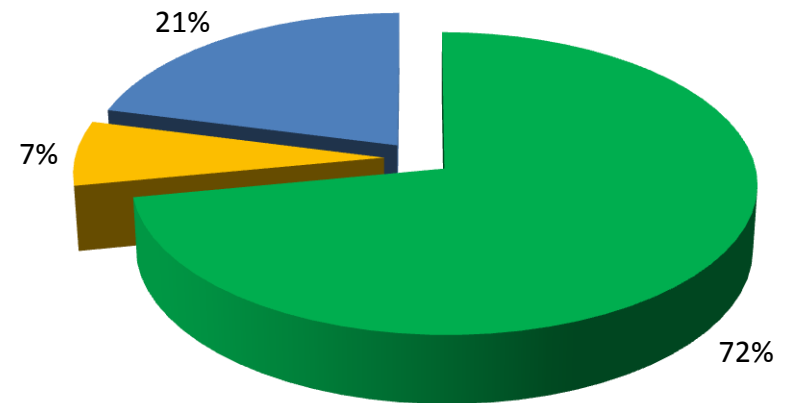
- The growth in the loan book, inclusive of loans sold in the previous 12 months, is 20%
- Loans amounting to Rs. 4,171 Cr. were sold during the year ended Mar 31, 2014
- Loans sold (outstanding): Rs. 5,724 Cr. – on which spread at 3.4% p.a. is to be earned over the life of the loan

Asset Composition

FY 13-14



FY 12-13

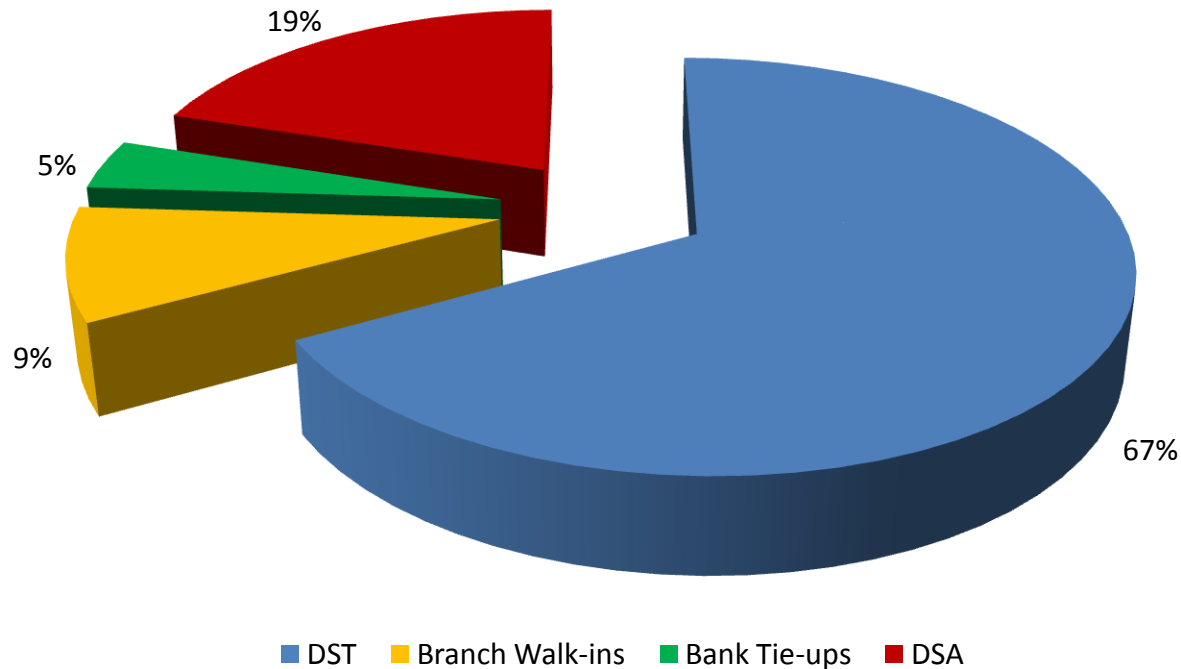


■ Mortgages ■ Commercial Vehicle ■ Corporate Loans

- Home loans, which forms the majority of incremental disburseals, are disbursed at an average ticket size of Rs. 24 lacs; average LTV of 70% (at origination)

Mortgage Loans' Sourcing

76% of Mortgage loans are sourced in-house



- Increasing DST manpower and improving productivity will push in-house sourcing to over 80% in FY15

Conservative Home Loan Profile

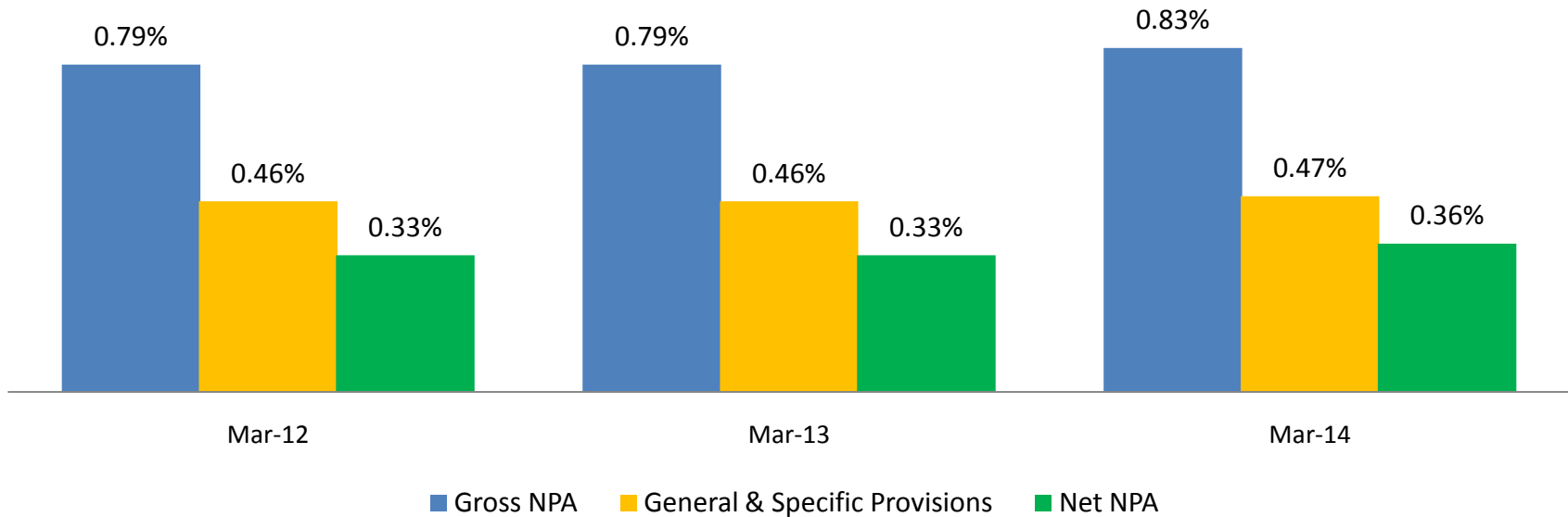
Average Loan Size	24 Lacs
Maximum Loan to Value	80%
Average Loan to Value	70% (at origination)
Average Loan Term	13 years
Primary Security	Mortgage of property financed
Repayment Type	Monthly amortizing

Conservative Loan Against Property Profile

Average Loan Size	68 Lacs
Maximum Loan to Value	65%
Average Loan to Value	49% (at origination)
Average Loan Term	7 years
Primary Security	Mortgage of property financed
Repayment Type	Monthly amortizing

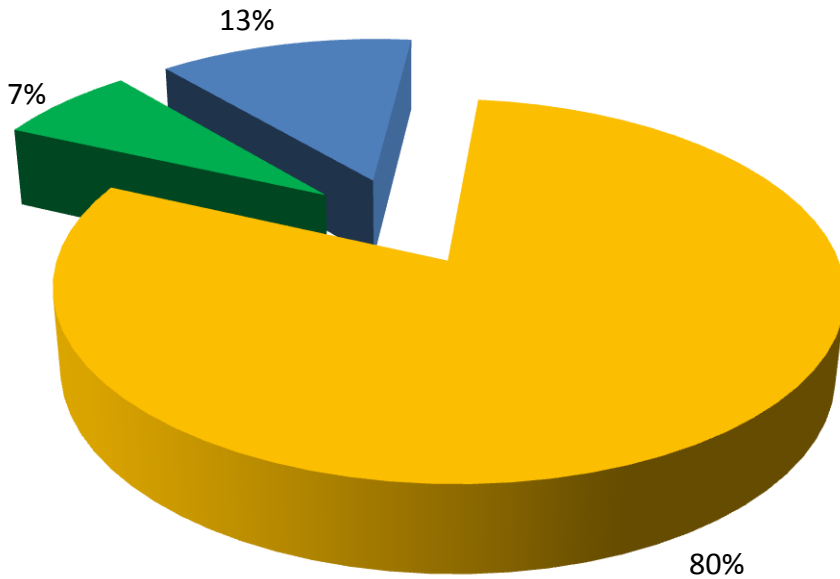
Asset Quality

(as % of Total Loan Assets)



- NPA's continue to remain within the target range despite a prolonged depressed economic environment and a resultant weak phase of the credit cycle
- Standard Asset Provision pool of Rs. 308.10 Cr. is over and above General and Specific Provision pool and is not netted off against Gross NPAs in calculation of Net NPAs

Liabilities



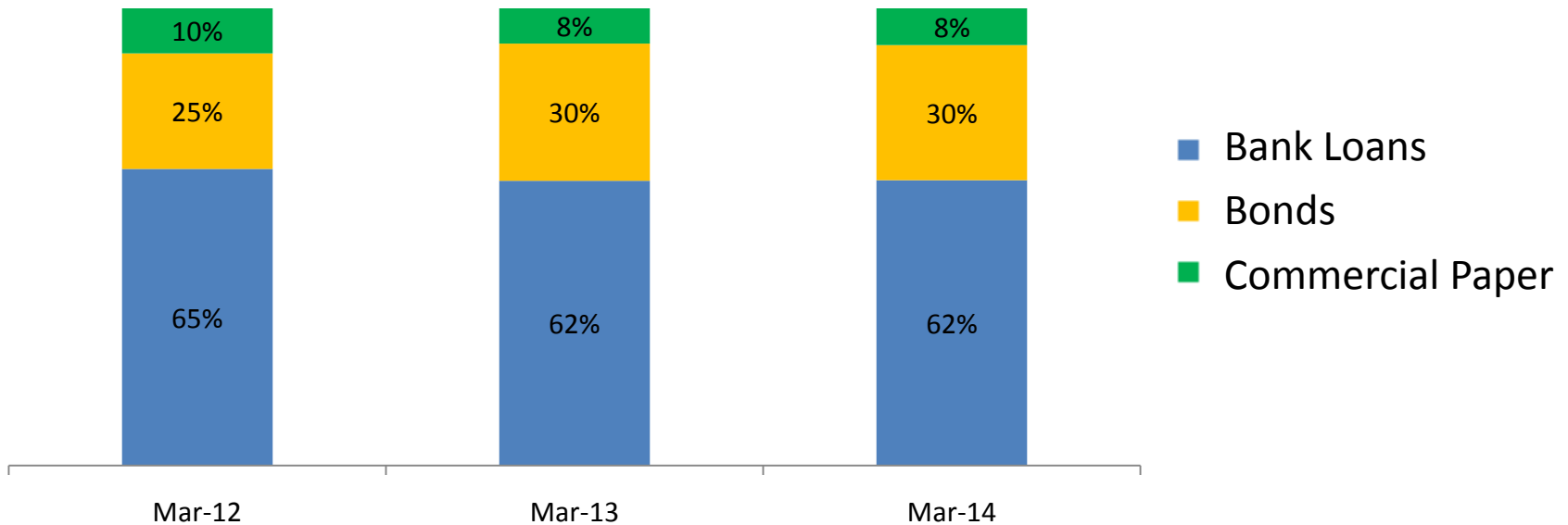
■ Share Holder's Funds:	Rs. 5,709 Cr. (US\$ 0.95 bn)
■ Borrowings:	Rs. 35,540 Cr. (US\$ 5.92 bn)
■ Other Liabilities:	Rs. 3,170 Cr. (US\$ 0.53 bn)

Total Liabilities:

As of March 31, 2014: Rs. 44,418 Cr. (US\$ 7.40 bn)

As of March 31, 2013: Rs. 39,129 Cr. (US\$ 6.52 bn)

Diversified Borrowing Programme

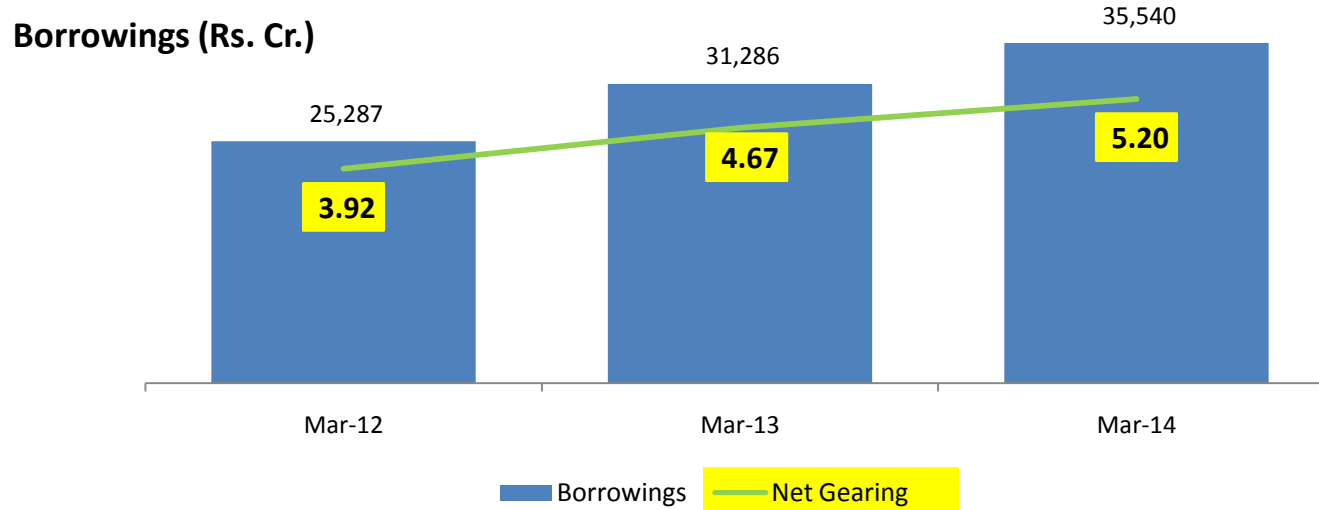


Total Borrowings:

As of March 31, 2014: Rs. 35,540 Cr. (US\$ 5.92 bn)

As of March 31, 2013: Rs. 31,286 Cr. (US\$ 5.21 bn)

Diversified Borrowing Programme



Net Gearing: Borrowings Net of 'Cash & Cash Equivalents' and 'Investments in Liquid Debt Instruments'

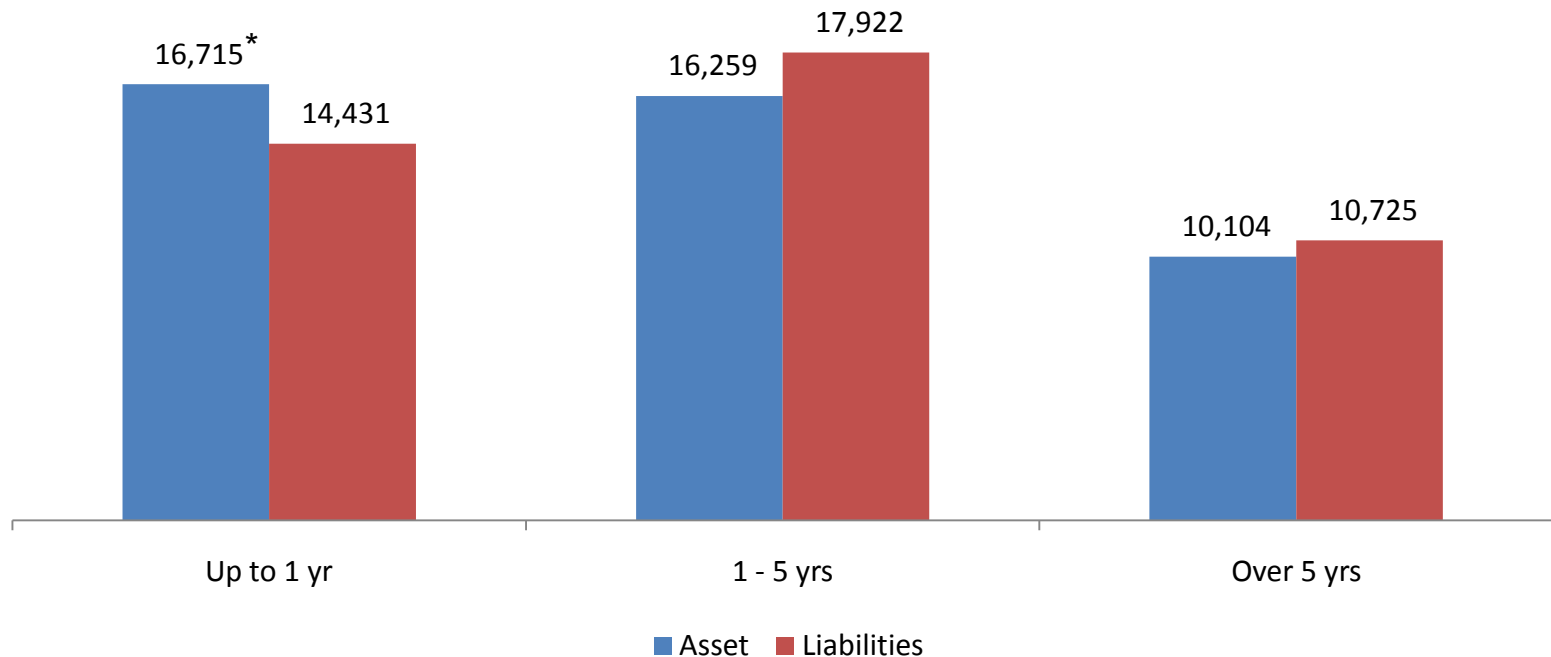
	Total Borrowings (Rs. Cr.)		Contribution in Incremental Borrowing
	Mar-13	Mar-14	Last 12 months
Bank Loans	19,485	22,171	63%
Bonds	9,406	10,525	26%
CP	2,395	2,844	11%
Total	31,286	35,540	100%

- Amongst its lenders, the company now counts 108 strong relationships: 26 PSU banks, 16 Private and Foreign banks and 66 Mutual Funds, Provident Funds, Pension Funds, Insurance Companies and others

Optimally Matched Balance Sheet

Maturity Profile

(As of March 31, 2014)



(Amounts in Rs. Cr.)

- * Assets in the 'Up to 1 Yr' bucket includes Rs. 7,341.4 Cr. of Cash, Cash equivalents and investments in liquid debt instrument
- The maturity profile reflects adjustments for prepayments and renewals in accordance with the guidelines issued by National Housing Bank

Our Strengths

Corporate Strengths

- Headroom to grow: CRAR: 19.1%; Net gearing: 5.2
- Steady book growth over last 19 quarters
- Declining cost to income ratio: 17.1% (for FY 2013-14)
- Technology driven quality customer service
- Stable and experienced management team
- In-house collections team, facilitates portfolio stability

Home Loan Strengths

- In-house sourcing & collection teams – low and stable NPA levels
- Low average loan to value ratios
- Emphasis on borrower cash flow stability during loan appraisal
- Experienced underwriting team - company has cumulatively disbursed over Rs. 86,300 Cr. since inception

Awards and Accolades

**ASSOCHAM HFC
of the Year 2013-2014**



**ISO 9001:2008
Certificate**



Rising Productivity Ratios

	FY 2012	FY 2013	FY 2014
No. Of Employees	4,243	4,072	4,099
No. Of Outlets	181	200	205
Profit Per employee (Rs. Cr.)	0.24	0.31	0.38
Asset Per employee (Rs. Cr.)	5.85	8.09	10.84
Cost Income Ratio	18.7%	18.0%	17.1%

Key Financial Metrics

	FY 2012	FY 2013	FY 2014
Pre Tax ROAA (%)	4.9%	4.9%	4.8%
Post Tax ROAA (%)	3.7%	3.8%	3.8%
ROE (%)	22%	26%	27%
Capital Adequacy (%)	18.86%	18.47%	19.12%
- <i>Of which Tier I</i>	18.21%	14.96%	15.04%
- <i>Tier II</i>	0.65%	3.51%	4.08%

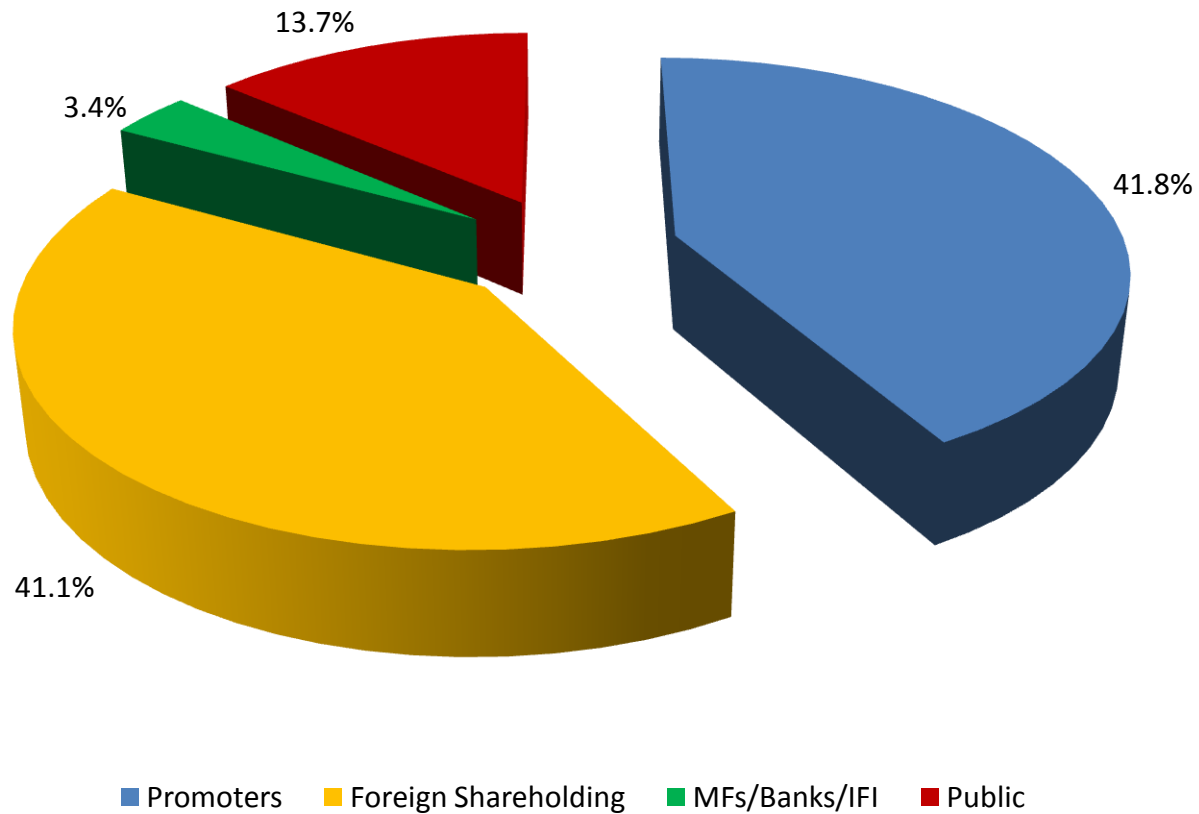
Valuations and Shareholding

Valuations and Returns

	Mar-12	Mar-13	Mar-14
Market Price per share* (Rs.)	207.1	271.8	285.6
Market Capitalisation* (US\$ Bn)	1.08	1.42	1.59
PE Ratio (times)	6.5	6.8	6.0
Book Value per share (Rs.)	157.7	165.4	168.7
Price to Book Ratio (times)	1.3	1.6	1.7
Dividend per share (Rs.)	13	20	29
Foreign Shareholding (%)	38.7%	45.2%	41.1%

*Share prices as of 22nd Apr'14 for Mar-14 and 31st Mar for previous years

Shareholding Pattern



FII: Foreign Institutional Investors
MF: Mutual Funds
IFI: Indian Financial Institutions

Detailed Financials

Consolidated Balance Sheet

Statement of Assets and Liabilities Particulars	(Rupees in Crore)	
	As at	
	31.03.14 (Audited)	31.03.13 (Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	66.81	62.50
(b) Reserves and Surplus	5,640.17	4,993.26
(c) Money received against share warrants	-	112.82
(2) Minority Interest	1.91	144.87
(3) Non-Current Liabilities		
(a) Long-term borrowings	20,165.52	18,234.46
(b) Other Long term liabilities	0.22	7.84
(c) Long term provisions	368.39	369.99
(4) Current Liabilities		
(a) Short-term borrowings	9,147.40	6,581.01
(b) Trade payables	2.33	2.85
(c) Other current liabilities	8,143.77	7,794.35
(d) Short-term provisions	881.89	824.87
Total	44,418.41	39,128.82
II.Assets		
(5) Goodwill on Consolidation	70.04	-
(6) Non-current assets		
(a) Fixed assets	46.91	45.61
(b) Non-current investments	24.65	15.16
(c) Deferred tax assets (net)	184.75	184.13
(d) Long term loans and advances	31,030.23	27,154.75
(e) Other non-current assets	815.29	517.86
(7) Current assets		
(a) Current investments	2,922.34	2,292.73
(b) Trade receivables	0.63	2.24
(c) Cash and cash equivalents	4,419.04	4,888.18
(d) Short-term loans and advances	4,549.77	3,726.32
(e) Other current assets	354.76	321.84
Total	44,418.41	39,128.82

**Rs. 7,341.4 Cr of
Cash & Cash
Equivalents and
Investments in
Liquid Debt
Instruments**

Consolidated Income Statement

		(Rupees in Crore)				
Particulars	Quarter ended			Year ended		
	31.03.14	31.12.13	31.03.13	31.03.14	31.03.13	
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	
1	Income from Operations					
	a) Income from Operations	1,244.08	1,432.35	1,162.37	5,186.51	4,263.41
	b) Other Operating Income	78.27	54.28	77.48	232.88	239.70
	Total Income from operations (net)	1,322.36	1,486.63	1,239.85	5,419.39	4,503.11
2	Expenses					
	a) Employee Benefits Expense	58.30	68.76	52.23	263.73	224.55
	b) Depreciation and Amortisation Expense	1.81	2.01	2.07	7.89	9.38
	c) Other Expenses	187.18	60.82	103.81	425.52	289.79
	Total Expenses	247.28	131.59	158.12	697.14	523.73
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2)	1,075.07	1,355.04	1,081.74	4,722.25	3,979.38
4	Other Income	246.27	87.94	94.03	541.92	274.77
5	Profit from ordinary activities before Finance costs & Exceptional Items (3+4)	1,321.34	1,442.98	1,175.77	5,264.17	4,254.15
6	Finance Costs	852.19	906.77	694.70	3,282.38	2,599.09
7	Profit from ordinary activities after Finance costs but before Exceptional Items (5-6)	469.15	536.21	481.07	1,981.79	1,655.06
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7-8)	469.15	536.21	481.07	1,981.79	1,655.06
10	Tax Expense (including Deferred Tax and MAT credit entitlement)	17.64	141.07	113.48	413.25	389.07
11	Net Profit from Ordinary Activities after Tax (9-10)	451.51	395.15	367.59	1,568.54	1,265.99
12	Extraordinary Items (net of tax expenses Rs. NIL)	-	-	-	-	-
13	Net Profit for the period / year (11-12)	451.51	395.15	367.59	1,568.54	1,265.99
14	Share of Profit of Associate	-	-	0.00	-	0.08
15	Minority Interest for the period / year	0.06	0.00	(3.03)	4.38	7.62
16	Net Profit from Ordinary Activities after Tax, Share of Profit of Associate and Minority Interest (13+14-15)	451.45	395.15	370.62	1,564.16	1,258.44
17	Paid-up Equity Share Capital	66.81	66.74	62.50	66.81	62.50
18	Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2014				5,570.14	4,993.26
19	Minority Interest	1.91	1.85	144.87	1.91	144.87
20	Earnings per Share (EPS) before extraordinary items <i>*(EPS for the quarters are not annualised)</i>					
	-Basic (Amount in Rs.)	13.52	11.89*	11.73*	47.96	40.19
	-Diluted (Amount in Rs.)	13.44	11.81*	11.21*	47.47	38.94
	Earnings per Share (EPS) after extraordinary items <i>*(EPS for the quarters are not annualised)</i>					
	-Basic (Amount in Rs.)	13.52	11.89*	11.73*	47.96	40.19
	-Diluted (Amount in Rs.)	13.44	11.81*	11.21*	47.47	38.94

Thank you