

Indiabulls Housing Finance Limited announces its Q4FY24 and FY24 Results

PAT of ₹ 1,217 Cr in FY24 v/s ₹ 1,128 Cr in FY23
PAT of ₹ 320 Cr v/s ₹ 303 Cr in Q3FY24 and ₹ 261 Cr in Q3FY23

Mumbai, 24th May 2024: The Board of Directors of Indiabulls Housing Finance Ltd. (IBH) announced its audited financial results for the quarter and year ended March 31st 2024.

IBH Key Financials:

Particulars	Q4FY24	Q3FY24	FY24	FY23
Net Worth	19,792	18,278	19,792	17,361
AUM	65,335	64,703	65,335	67,020
Own Book	53,090	52,195	53,090	54,276
NII	964	900	3,318	3,089
PPOP	722	682	2,417	2,270
PBT	432	399	1,649	1,604
PAT	320	303	1,217	1,128
Gearing	1.9x	2.0x		
Spread	3.0%	3.2%		
RoA	1.6%	1.6%		
GNPA	1,754	1,844		
GNPA%	2.69%	2.85%		
NNPA	995	1,107		
NNPA%	1.52%	1.71%		

NII: Net Interest Income

Final dividend of ₹2 per share of face value ₹2 [and ₹0.67 per partly paid share of face value ₹0.67] amounting to 100%, has been recommended by the board to the shareholders for approval at the AGM.

Highlights:

- AUM and Loan Book have resumed growth supported by retail disbursals
- Retail disbursals under the asset-light model stands at ₹ 9,560 Cr for FY24, up 22% from FY23
- PAT for Q4 FY24 is ₹ 320 Cr, compared to ₹ 303 Cr in Q3 FY24. PAT for FY24 is ₹ 1,217 Cr, compared to ₹ 1,128 Cr in FY23
- Net Interest Income (NII) come in at ₹ 964 Cr for Q4 FY24 compared to ₹ 900 Cr for Q3FY24 and ₹ 3,318 Cr for FY24, compared to ₹ 3,089 Cr for FY23
- Gross NPAs were at ₹ 1,754 Cr [2.7%] and net NPAs at ₹ 995 Cr [1.5%]. Gross and Net NPAs lowest in 15 quarters
- Annualized Net Interest Margin came in at 4.5%

- RoA is on the rise, and expanded to 1.7% at the end of March 2024, from 1.4% at the end of March 2023
- Spread remains stable at 3.0% in Q4FY24
- Debt to equity at ~1.9x in FY24
- The Company's Liquidity Coverage Ratio [LCR] as at March 2024 stands at 79% against a regulatory requirement of 70%.
- Along with existing provisions and expected recoveries/write-backs, the Company has a ~3.5x cover on NPAs

Proactive ALM Management and debt repayments and voluntary pre-funding for FCCB due Sep 2024

- ₹ 7,375 Cr of liquidity available on balance sheet [excluding undrawn facilities]
- Debt of ~ ₹ 1,72,000 Cr repaid on gross basis and ~ ₹ 82,000 Cr repaid on net basis, since Sep 2018
- Gearing reduced from 8.6x levels in FY18 to ~1.9x in FY24
- Deposited second tranche of ₹ 291.5 Cr as in April 2024, towards our voluntarily created trustee-managed FDs for FCCB repayment. These deposits aggregating to ₹ 583 Cr, now covers 50% FCCBs amount of Sep 2024 put option [total outstanding issue of USD 135 Mn]

FY 2024: Performance Highlights

- ₹3,693 Crores [\$445 Mn] of equity raised. Rights issue subscribed over 2x times
- ₹2,917 Crores [\$350 Mn] of foreign bonds raised. Issue was subscribed over 3x times. Success supported by repayment of over \$ 3.2 Bn of foreign currency borrowings raised in last 10 years
- ₹ 9,560 Crores of retail disbursement done under the asset-light model, up 22% from FY2023
- De-promoterization and complete exit of erstwhile promoter: Company has transitioned to a Board-run, professionally managed, diversely held financial institution
- Long-term credit rating revalidated at AA/Stable by CRISIL [May2024] and ICRA [Dec2023]
- International long-term credit rating upgraded by Moody's to B2/Stable from B3/Stable. International long-term credit rating of B/Positive assigned by S&P Global
- Dismissal of frivolous Public Interest Litigation [PIL] by Delhi High Court: No merit found in allegations following affidavits filed by regulators and government agencies. Judgement noted irresponsible conduct by petitioner[s] resulted in losses to shareholders and other stakeholders

Significant continuing traction on asset-light retail origination

- Since FY2022, retail disbursals of ₹ 20,601 Cr done under asset-light model. 90+ delinquency at under 0.15%
- 37% of AUM is now funded by CLM/sell downs; up from 10% in FY18
- Realising 3%+ RoAs on retail loans sourced since FY2022 under asset-light model
- AUM expansion will accelerate as retail disbursement growth further picks up in FY25
- Retail business to deliver mid-teen RoEs by FY26
- Strategic and sizable sourcing partner for 9 banks.

FY 2025 to FY 2027: Path Ahead

- Change of name to 'Sammaan Capital Ltd' in next 40 days
- Implementation of performance-linked equity compensation plan [sweat equity] for senior management team within H1FY25: Will tie in senior management wealth to company performance based on success of below mentioned key focus parameters

Sammaan Capital targets for FY2027: Quarterly updates from next quarter [Q1FY25] on each of these eight key focus parameters	
1. Net Worth	₹ 23,000 Crs+
2. Legacy AUM	< ₹ 5,000 Crs
3. Incremental Retail AUM	₹ 1,00,000 Crs+
4. Annual Retail Disbursals	₹ 35,000 Crs
5. Incremental Retail RoE	18%
6. RoA	3.2%
7. Cost-to-Income Ratio	< 20%
8. Net NPA%	<1.2%