

Indiabulls HOME LOANS

Indiabulls Housing Finance Limited
(CIN: L65922DL2005PLC136029)
Unaudited Consolidated Financial Results
for the quarter ended June 30, 2020

(Rupees in Crores)

Statement of Consolidated Unaudited Results for the quarter ended June 30, 2020

Particulars	Quarter ended			Year ended
	30.06.20	31.03.20	30.06.19	31.03.20
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations				
(i) Interest Income	2,548.07	2,464.53	3,346.16	11,548.60
(ii) Dividend Income	0.17	148.73	-	863.04
(iii) Fees and commission Income	11.37	80.06	139.92	351.79
(iv) Net gain on fair value changes	11.81	123.78	350.95	-
(v) Net gain on derecognition of financial instruments under amortised cost category	3.17	132.94	47.96	453.01
Total Revenue from operations	2,574.59	2,950.04	3,884.99	13,216.44
2 Other Income	3.64	4.16	1.13	6.79
3 Total Income (1+2)	2,578.23	2,954.20	3,886.12	13,223.23
4 Expenses				
Finance Cost	1,846.96	2,125.77	2,362.68	8,511.92
Net loss on fair value changes	-	-	-	119.96
Impairment on financial instruments (net of recoveries)	246.10	535.69	147.59	1,062.78
Employee Benefits Expenses	88.18	120.28	187.93	604.81
Depreciation, amortization and impairment	26.30	27.93	29.04	107.84
Other expenses	16.24	50.15	52.89	255.03
Total expenses	2,223.78	2,859.82	2,780.13	10,662.34
5 Profit before tax (3-4)	354.45	94.38	1,105.99	2,560.89

6	Tax expense				
	Current tax expense	62.16	(256.60)	472.31	371.19
	Deferred Tax Charge / (Credit)	19.45	224.13	(156.35)	23.78
	Total Tax Expense	81.61	(32.47)	315.96	394.97
7	Profit for the Period / Year (5-6)	272.84	126.85	790.03	2,165.92
8	Add: Share of Profit of Associate	-	10.21	11.50	33.88
9	Profit for the period / year attributable to Minority Interest (7+8)	272.84	137.06	801.53	2,199.80
10	Less: Share of Profit attributable to Minority Interest	-	-	-	-
11	Profit for the period / year attributable to the Shareholders of the Company (9-10)	272.84	137.06	801.53	2,199.80
12	Other comprehensive income				
	Other comprehensive income / (loss) (net of tax)	(104.82)	(202.51)	49.12	(364.67)
13	Total comprehensive income (after tax) (11+12)	168.02	(65.45)	850.65	1,835.13
14	Paid-up Equity Share Capital	83.83	83.83	85.51	83.83
15	Earnings per Share (EPS) before extraordinary items <i>*(EPS for the quarters are not annualised)</i>				
	-Basic (Amount in Rs.)	6.51	3.27	18.75	51.70
	-Diluted (Amount in Rs.)	6.51	3.27	18.64	51.69
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) after extraordinary items <i>*(EPS for the quarters are not annualised)</i>				
	-Basic (Amount in Rs.)	6.51	3.27	18.75	51.70
	-Diluted (Amount in Rs.)	6.51	3.27	18.64	51.69
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00
16	Items exceeding 10% of Total Expenses				
	-ECL for Loan assets / Bad Debts Written Off (Net)	246.10	535.69	147.59	1,062.78

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 Holding Company') for the quarter ended June 30, 2020 have been reviewed by the Audit Committee on August 21, 2020 and subsequently approved at the meeting of the Board of Directors held on August 21, 2020. The consolidated financial results have been subjected to a limited review by the Statutory Auditors of the Company.

3	The Group's total liabilities and equity at 30 June 2020, comprised the following:	As at
		30.06.20
		(Unaudited)
	Borrowings (including debt securities)	76,779.93
	Other financial liabilities	4,625.52
	Non-financial liabilities	578.28
	Share Capital	83.83
	Other Equity	15,624.04
	Total Liabilities and Equity	97,691.60
4	The Group's total assets at 30 June 2020, comprised the following:	As at
		30.06.20
		(Unaudited)
	Investments	9,661.09
	Loans	71,847.49
	Other financial assets (including cash and bank balances)	12,870.62
	Non-financial assets	3,312.40
	Total Assets	97,691.60
5	Net gain on derecognition of financial instruments under amortised cost category for the quarter and year ended 31 March 2020 mainly comprises net gain on derecognition of non-convertible debentures issued by the Company.	
6 (a)	<p>The outbreak of COVID-19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. This has led to significant disruptions and dislocations for individuals and businesses. The extent to which the COVID 19 pandemic will impact the Holding Company's business is dependent on several factors including, but not limited to, pace of easing of the government restrictions and full resumption of economic activity.</p> <p>A. In accordance with RBI guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Holding Company has granted moratorium on the payment of instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium. The moratorium has been further extended for instalment falling due between June 1, 2020 to August 31, 2020 in accordance with the RBI press release dated May 22, 2020 which permitted lending institutions to extend the moratorium. In accordance with the guidance from Institute of Chartered Accountant of India ("ICAI"), extension of the moratorium to borrowers by the Holding Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press conference, by itself is not considered to result in a SICR for a borrower.</p>	

The Holding Company is mainly engaged in providing individual housing loans, loans against property (LAP) and project finance for real estate development. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collateral held by the Holding Company. The Holding Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segment. Further, for project finance loans, the Holding Company has reviewed the project status, funding plans and analysis of the borrowers for large projects. Further, the Holding Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Holding Company has recorded expected credit loss provision to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. Further, as a result of this pandemic, the credit performance and repayment behaviour of the customers needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Holding Company.

B. The Holding Company has considered the following key matters in determining its liquidity position for the next 12 months:

- a. Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;
- b. Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Holding Company's debt service obligations to such lenders;
- c. Status of its requests for additional funding, from existing lenders as well as others.

Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months, the management has concluded that it will be able to meet its obligations.

- 6 (b) The outbreak of COVID-19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. The Government of India announced a strict 40-day nation-wide lockdown to contain the spread of the virus till May 3, 2020, which was further extended till June 08, 2020. This has led to significant disruptions and dislocations for individuals and businesses. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities. The extent to which the COVID 19 pandemic will impact Indiabulls Commercial Credit Limited ('ICCL', 'the Company')'s business is dependent on several factors including, but not limited to, pace of easing of the lockdown restrictions.

A. In accordance with the Reserve Bank of India's guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, ICCL has granted moratorium of three months on the payment of all instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium, as per its Board approved policy. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. ICCL has extended the EMI moratorium to its customers based on requests received from such customers, as per its Board approved policy. In accordance with the guidance from the ICAI and in management's view, the extension of the moratorium to the Company's borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press release, by itself is not considered to result in a significant credit risk (SICR) of such borrowers.

Indiabulls Commercial Credit Limited ('ICCL', 'the Company') is mainly engaged in the business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collaterals held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, ICCL has recorded a provision for impairment due to expected credit loss (ECL) in respect of its loans and advances as at 30 June 2020, to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. As a result of this pandemic, the credit performance and repayment behaviour of the customers' needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operations and the financial position of the Company.

B. Indiabulls Commercial Credit Limited ('ICCL', 'the Company') has considered the following key matters in determining its liquidity position for the next 12 months:

- a. Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;
- b. Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Company's debt service obligations to such lenders;
- c. Status of its requests for additional funding, from existing lenders as well as others.

Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months, the management has concluded that it will be able to meet its obligations.

- 7 At March 31, 2020, the Holding Company had created provision for expected credit loss by debiting the Additional Reserve under section 29 (c) of NHB Act, 1987 as per NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004 ("Additional Reserve u/s 29 (c)"). At June 30, 2020, Rs. 381 crores of such provision which was no longer required has been utilized towards write off of non-performing assets.
- 8 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.
- 9 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 ended June 30, 2020

(Rupees in Crores)

Statement of Standalone Unaudited Results for the quarter ended June 30, 2020

Particulars	Quarter ended			Year ended
	30.06.20	31.03.20	30.06.19	31.03.20
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations				
(i) Interest Income	2,195.23	2,131.10	2,811.80	9,881.51
(ii) Dividend Income	0.17	148.73	-	816.82
(iii) Fees and commission Income	10.58	66.01	101.85	256.15
(iv) Net gain on fair value changes	23.00	141.61	337.80	-
(v) Net gain on derecognition of financial instruments under amortised cost category	3.17	132.94	41.90	444.75
Total Revenue from operations	2,232.15	2,620.39	3,293.35	11,399.23
2 Other Income	4.62	7.29	2.97	16.07
3 Total Income (1+2)	2,236.77	2,627.68	3,296.32	11,415.30
4 Expenses				
Finance Cost	1,673.93	1,950.75	2,118.49	7,709.60
Net loss on fair value changes	-	-	-	169.47
Impairment on financial instruments (net of recoveries)	221.86	(291.11)	121.66	109.26
Employee Benefits Expenses	81.58	110.08	175.06	556.97
Depreciation, amortization and impairment	24.00	25.33	26.49	97.80
Other expenses	13.35	43.60	47.08	225.48
Total expenses	2,014.72	1,838.65	2,488.78	8,868.58
5 Profit before tax (3-4)	222.05	789.03	807.54	2,546.72

6	Tax expense				
	Current tax expense	16.54	(154.60)	373.20	319.20
	Deferred Tax (Credit) / Charge	38.58	250.10	(144.70)	67.61
	Total Tax Expense	55.12	95.50	228.50	386.81
7	Profit for the Period / Year (5-6)	166.93	693.53	579.04	2,159.91
8	Other comprehensive income				
	Other comprehensive income / (loss) (net of tax)	(105.33)	(1,882.12)	(24.69)	(1,961.88)
9	Total comprehensive income (after tax) (7+8)	61.60	(1,188.59)	554.35	198.03
10	Paid-up Equity Share Capital	85.51	85.51	85.51	85.51
11	Earnings per Share (EPS) before extraordinary items <i>*(EPS for the quarters are not annualised)</i>				
	-Basic (Amount in Rs.)	3.90	16.22	13.55	50.52
	-Diluted (Amount in Rs.)	3.90	16.22	13.47	50.51
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) after extraordinary items <i>*(EPS for the quarters are not annualised)</i>				
	-Basic (Amount in Rs.)	3.90	16.22	13.55	50.52
	-Diluted (Amount in Rs.)	3.90	16.22	13.47	50.51
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00
12	Items exceeding 10% of Total Expenses				
	-ECL for Loan assets / Bad Debts Written Off (Net)	221.86	(291.10)	121.66	109.26

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 standalone financial results of Indiabulls Housing Finance Limited ('IBHFL', 'the Company') for the quarter ended June 30, 2020 have been reviewed by the Audit Committee on August 21, 2020 and subsequently approved at the meeting of the Board of Directors held on August 21, 2020. The standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.

3	The Company's total liabilities and equity at 30 June 2020, comprised the following:	As at
		30.06.20
		(Unaudited)
	Borrowings (including debt securities)	70,224.21
	Other financial liabilities	3,586.25
	Non-financial liabilities	495.34
	Share Capital	85.51
	Other Equity	14,907.35
	Total Liabilities and Equity	89,298.66

4	The Company's total assets at 30 June 2020, comprised the following:	As at
		30.06.20 (Unaudited)
	Investments	13,725.83
	Loans	61,755.95
	Other financial assets (including cash and bank balances)	11,567.36
	Non-financial assets	2,249.52
	Total Assets	89,298.66

5 Net gain on derecognition of financial instruments under amortised cost category for the quarter and year ended 31 March 2020 mainly comprises net gain on derecognition of non-convertible debentures issued by the Company.

6 The outbreak of COVID-19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. This has led to significant disruptions and dislocations for individuals and businesses. The extent to which the COVID 19 pandemic will impact the Company's business is dependent on several factors including, but not limited to, pace of easing of the government restrictions and full resumption of economic activity.

A. In accordance with RBI guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company has granted moratorium on the payment of instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium. The moratorium has been further extended for instalment falling due between June 1, 2020 to August 31, 2020 in accordance with the RBI press release dated May 22, 2020 which permitted lending institutions to extend the moratorium. In accordance with the guidance from Institute of Chartered Accountant of India ("ICAI"), extension of the moratorium to borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press conference, by itself is not considered to result in a SICR for a borrower.

The Company is mainly engaged in providing individual housing loans, loans against property (LAP) and project finance for real estate development. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collateral held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segment. Further, for project finance loans, the Company has reviewed the project status, funding plans and analysis of the borrowers for large projects. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded expected credit loss provision to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. Further, as a result of this pandemic, the credit performance and repayment behaviour of the customers needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Company.

B. The Company has considered the following key matters in determining its liquidity position for the next 12 months:

- a. Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;
- b. Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Company's debt service obligations to such lenders;
- c. Status of its requests for additional funding, from existing lenders as well as others.

Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months, the management has concluded that it will be able to meet its obligations.

- 7 At March 31, 2020, the Company had created provision for expected credit loss by debiting the Additional Reserve under section 29 (c) of NHB Act, 1987 as per NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004 ("Additional Reserve u/s 29 (c)"). At June 30, 2020, Rs. 381 crores of such provision which was no longer required has been utilized towards write off of non-performing assets.

8 **The Rating details from ICRA Ratings is as under:-**

Non-convertible debenture programme of Rs. 142.35 Billion (Reduced from Rs. 373.60 Billion)	[ICRA] AA
Subordinated Debt Programme of Rs. 15.0 Billion (Reduced from Rs. 50.0 Billion)	[ICRA] AA

9 **The Rating details from CARE Ratings is as under:-**

Non-convertible debentures of Rs. 170.403 Billion (Reduced from Rs. 320.015 Billion)	CARE AA
Subordinate Debt of Rs. 31.22 Billion (Reduced from Rs. 50.00 Billion)	CARE AA
Perpetual Debt of Rs. 2.00 Billion	CARE AA-
Long-term / Short-term Bank Facilities of Rs. 513.00 Billion (Reduced from Rs. 525.00 Billion)	CARE AA / CARE A1+
Public Issue of Non-Convertible Debentures of Rs. 61.4164 Billion (Reduced from Rs. 61.7164 Billion)	CARE AA
Public Issue of Subordinate Debt of Rs. 1.9886 Billion	CARE AA
Commercial Paper issue of Rs. 15.00 Billion (Reduced from Rs. 150.0 Billion)	CARE A1+

10 **The Rating details from CRISIL Ratings is as under:-**

Non-Convertible Debentures of Rs. 294.80 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+

11 **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+

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

Long Term Corporate Family Rating	B3
Foreign and Local Currency Senior Secured MTN program Rating of \$ 350 Mn	(P) B3

13 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.

14 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 : August 21, 2020

Gagan Banga

Vice-Chairman, Managing Director & CEO