



Indiabulls Housing Finance Limited

(CIN: L65922DL2005PLC136029)

***Annual Audited Financial Results for Q4 FY 2014-15 and FY 2014-15
April 24, 2015***

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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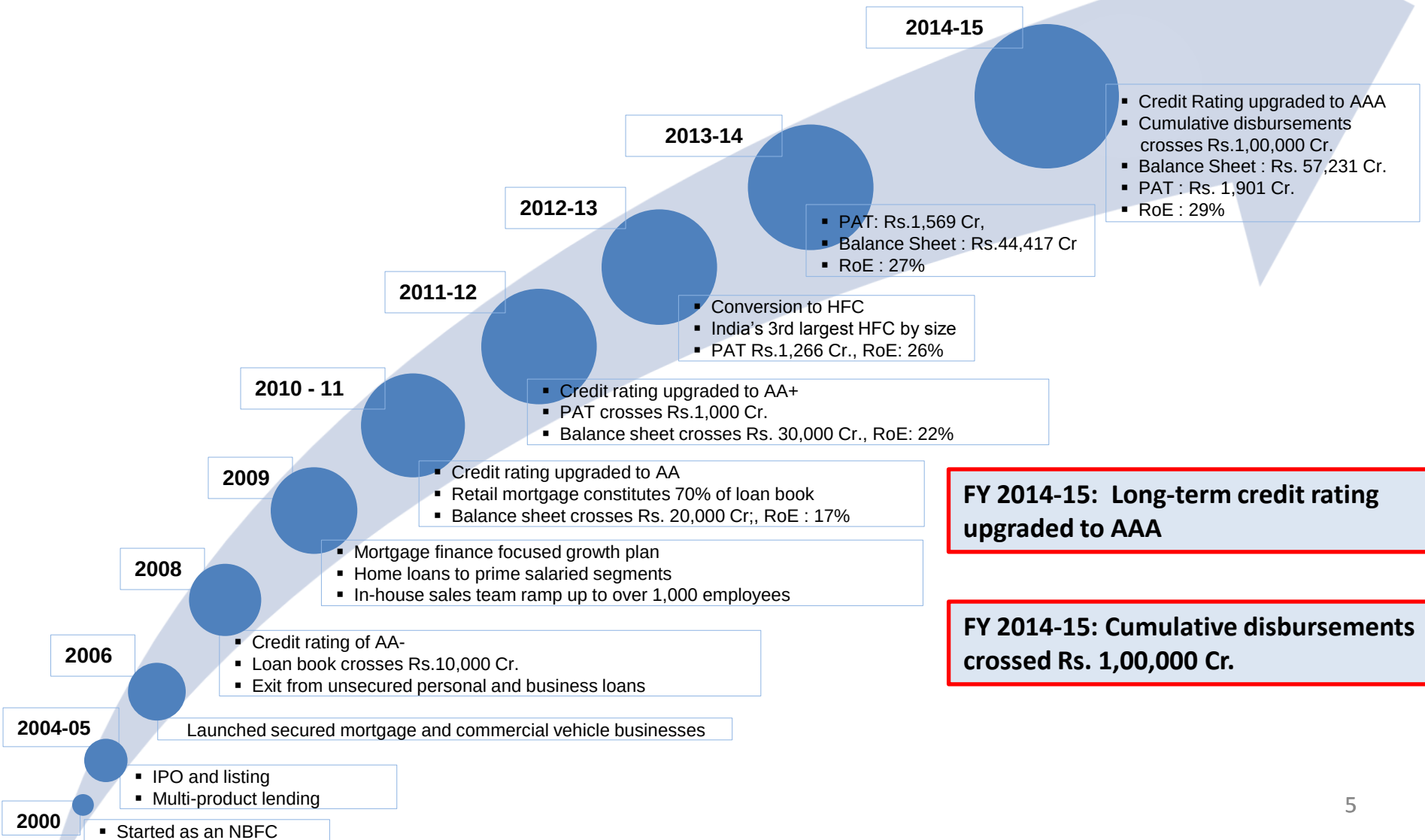
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Business Update

Our Journey



Business Update

Key Financial Highlights: FY 2014-15

	FY 14-15	FY 13-14	Growth (%)
Total Revenues (Rs. Cr.)	7,270.4	5,904.8	23.1%
NII (Rs. Cr.)	3,179.5	2,607.5	21.9%
PAT (Rs. Cr.)	1,901.2	1,568.5	21.2%
EPS (Rs.)	55.0	48.0	
RoE	29%	27%	
CRAR	18.4%	19.1%	

Year-on-Year (Y-o-Y) Comparison – Q4 FY14-15 v/s Q4 FY13-14

	Q4 FY 14-15	Q4 FY 13-14	Growth (%)
Total Revenues (Rs. Cr.)	2,122.6	1,557.9	36.3%
NII (Rs. Cr.)	912.9	704.8	29.5%
PAT (Rs. Cr.)	551.0	451.5	22.0%
EPS (Rs.)	15.5	13.5	

The company had cash, cash equivalents and investments in liquid debt instruments of Rs.9,631 Cr as at 31st March, 2015. The company receives income from its cash, cash equivalents and investments in liquid debt instruments through the quarter, which appears in 'Other Income'.

Interim dividend of Rs 9/- per share of face value of Rs 2/- has been declared. Company has declared and distributed interim dividend of Rs. 26/- per share in FY 2014-15.

Operational Update

Business Summary

- Loans Outstanding

(March 31, 2015)

:

Rs. 52,235 Cr

:

(US\$ 8.43 bn)
- Loan Book CAGR (6 years)

:

26%
- Cumulative Number of Retail Customers Served

:

6.44 Lacs
- Cumulative Loans Disbursed till date

:

Rs. 106,604 Cr

(US\$ 17.19 bn)
- Cost to Income Ratio (FY 2015)

:

16.4%
- Profit After Tax CAGR (6 years)

:

18%

Credit Ratings

	Long Term Rating	Short Term Rating
CARE Ratings	AAA	A1+
Brickwork Ratings	AAA	
CRISIL (A Standard & Poor's Company)	AA+	A1+
ICRA (An Associate of Moody's Investor Service)	AA+	A1+
India Ratings & Research (A Fitch Group Company)		A1+

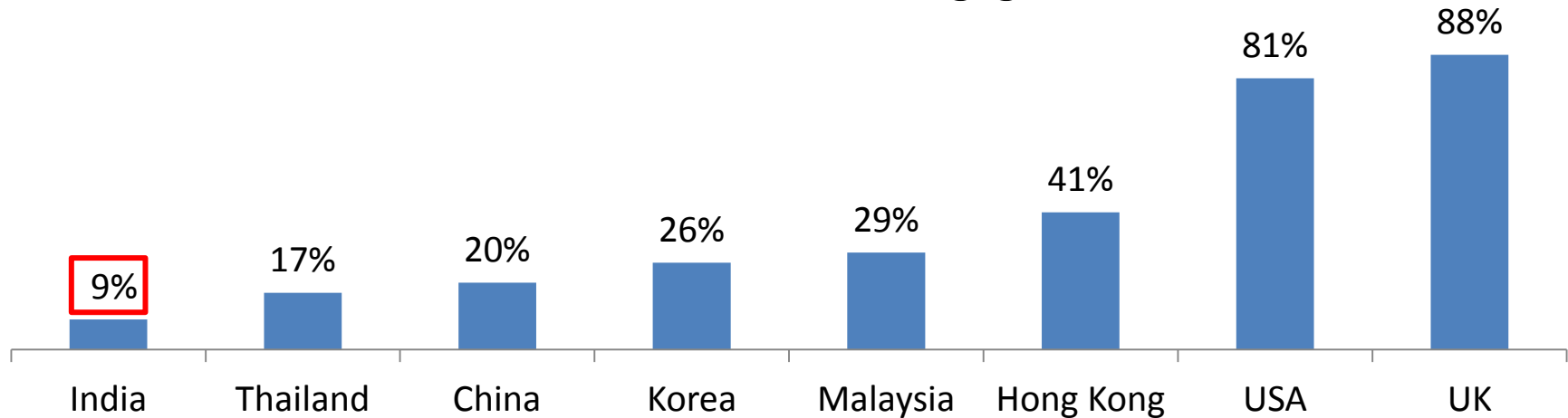
Indian Mortgage Market

Vast Affordable Housing Opportunity

- Urban Housing requirement: estimated at 45 million units by 2022¹
 - Demand continues to increase due to rapid urbanization, growing trend of nuclear families and rising income
- Affordable Housing: Policy makers' focus on Home loans up to 50 Lacs (from sub 25 Lacs classified as priority sector lending)
 - HFCs are permitted to borrow through ECBs for lending towards affordable housing
 - IBHFL has drawn down ECB facilities of \$ 200 million in FY 2014-15
- Government policy focus towards affordable housing
 - Relaxation of real estate FDI norms and REIT norms
 - Rs. 4,000 crores allocated for low-cost housing and Rs. 50,000 crores for urban housing²
 - Rs. 8,000 crores allocated to the Rural Housing Fund run by NHB²
- 2 million affordable housing units to be launched in the next 3 years

Indian Mortgage Market

Headroom for Growth - Low Mortgage Penetration

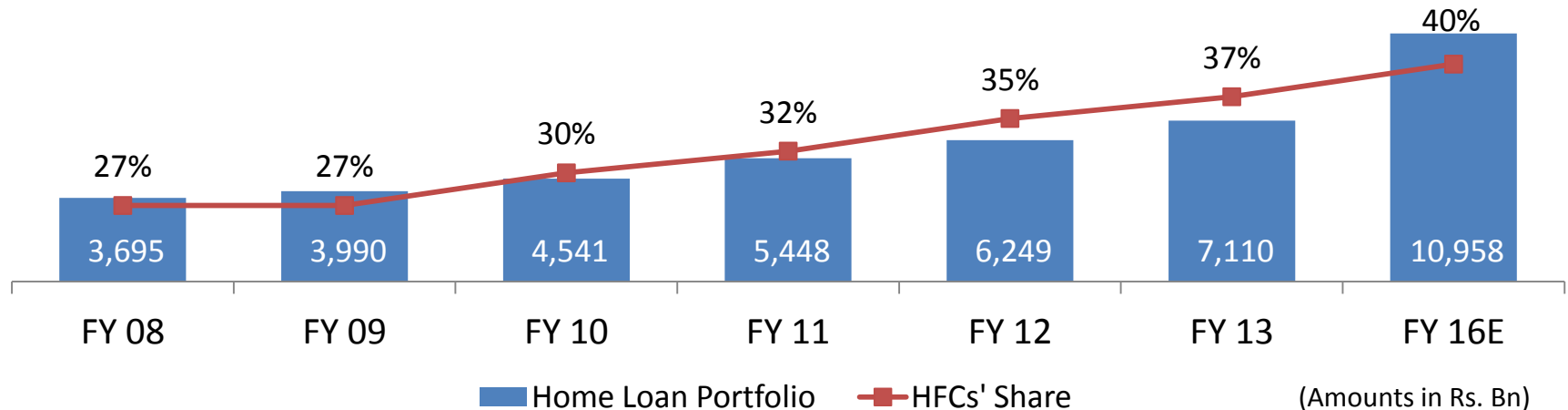


Source: National Housing Bank, 2013

- 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
- In this year's budget, the Government has increased tax exemption limits on home loan repayments, effectively lowering the rate of interest
- Government has underlined support for affordable housing in the budget, which has been followed up by prompt steps by the regulator

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 3.94 % after tax benefits for a home loan of Rs. 20 Lacs
- 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 45 million units by 2022²
- Favourable Demographics: 60% of the country's population is below 30 years of age³

Recent Government Policy Initiatives

- Housing for all by 2022: A major policy goal for the new government
 - 60 million new housing units
 - Government focus on making organised housing finance available to all
- 100 smart cities plan: Technologically integrated and planned townships
 - Large housing opportunity
 - Concentrated market and government focus to reduce delivery expenses and improve operating margins
- Jan Dhan Yojana: Access to organised banking for all – present coverage: 99.74%
 - Vast increase in organised banking infrastructure and reach
 - Ultimate benefit and knock on effect on credit off-take and growth

Indian Mortgage Market

Tax Incentives – Low Effective Interest Rates

Particular	2015	2010	2000
Loan amt	2,500,000	2,500,000	2,500,000
Nominal Interest Rate(%)	9.90%	9.25%	13.25%
Max deduction for interest allowed*	200,000	150,000	75,000
Deduction for Principal#	150,000	100,000	20,000
Tax Rate applicable	34.61%	30.90%	34.50%
Tenor (Yrs)	15	15	15
Total amount paid per year	394,093	327,878	384,521
Interest component	244,093	227,878	327,893
Principal component	150,000	100,000	56,628
Tax amount saved	121,128	77,250	32,775
Effective interest paid on home loan	122,965	150,628	295,118
Effective interest rate on home loan	5.07%	6.15%	11.94%

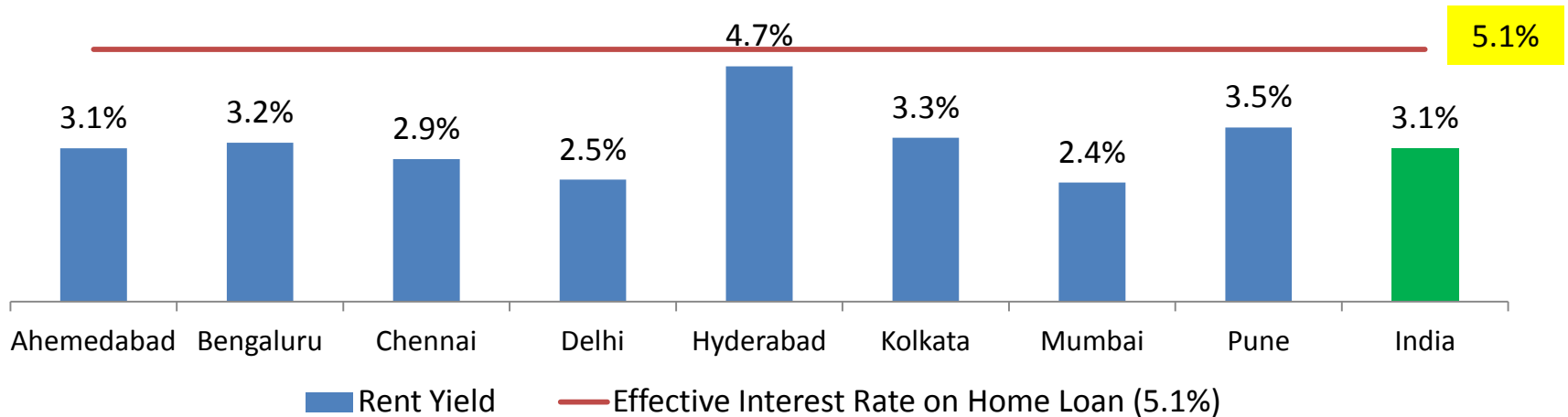
Amount in Rs.

* Interest Repayment Tax Break: Section 24 of the Income Tax Act

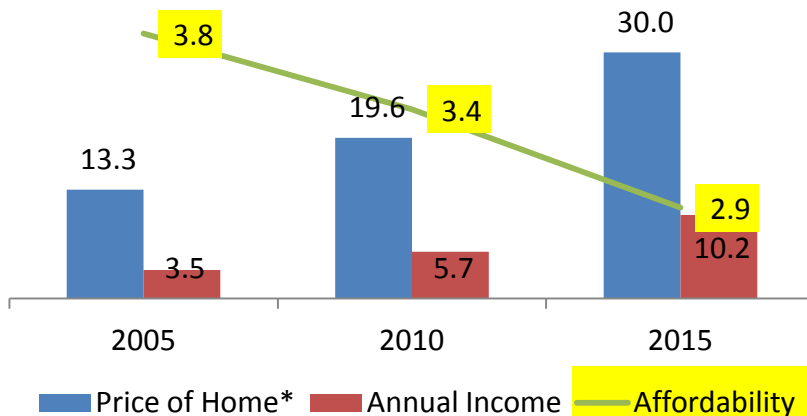
Principal Repayment Tax Break: Section 80C of the Income Tax Act

Buying a Home – Prudent Financial Investment

Rental Yield v/s Home Loan Cost*



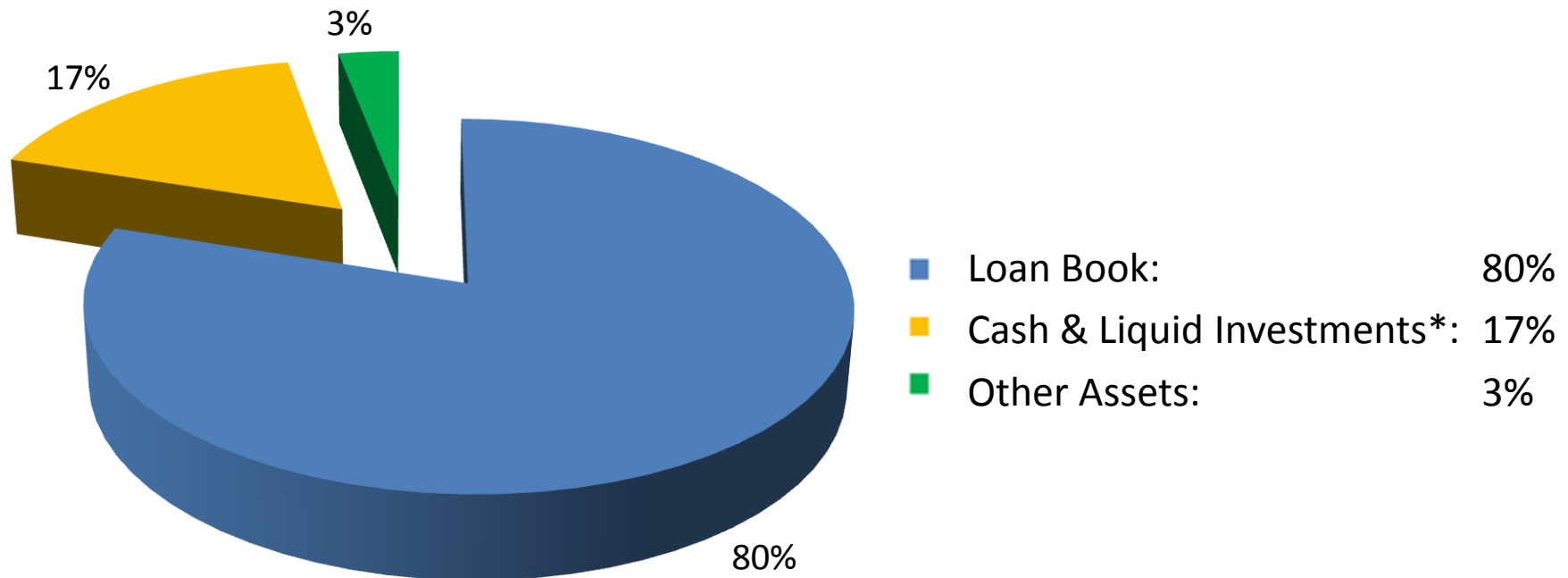
Increasing Affordability



- Difference between rental yield and effective home loan interest rate is only 2%
- For only Rs. 3,500 per month more, a home of Rs. 30 lacs can be purchased instead of renting it – a tremendous incentive to own a home and create real assets
- Tepid property price appreciation combined with wage inflation further pushing affordability

Financial and Operational Highlights

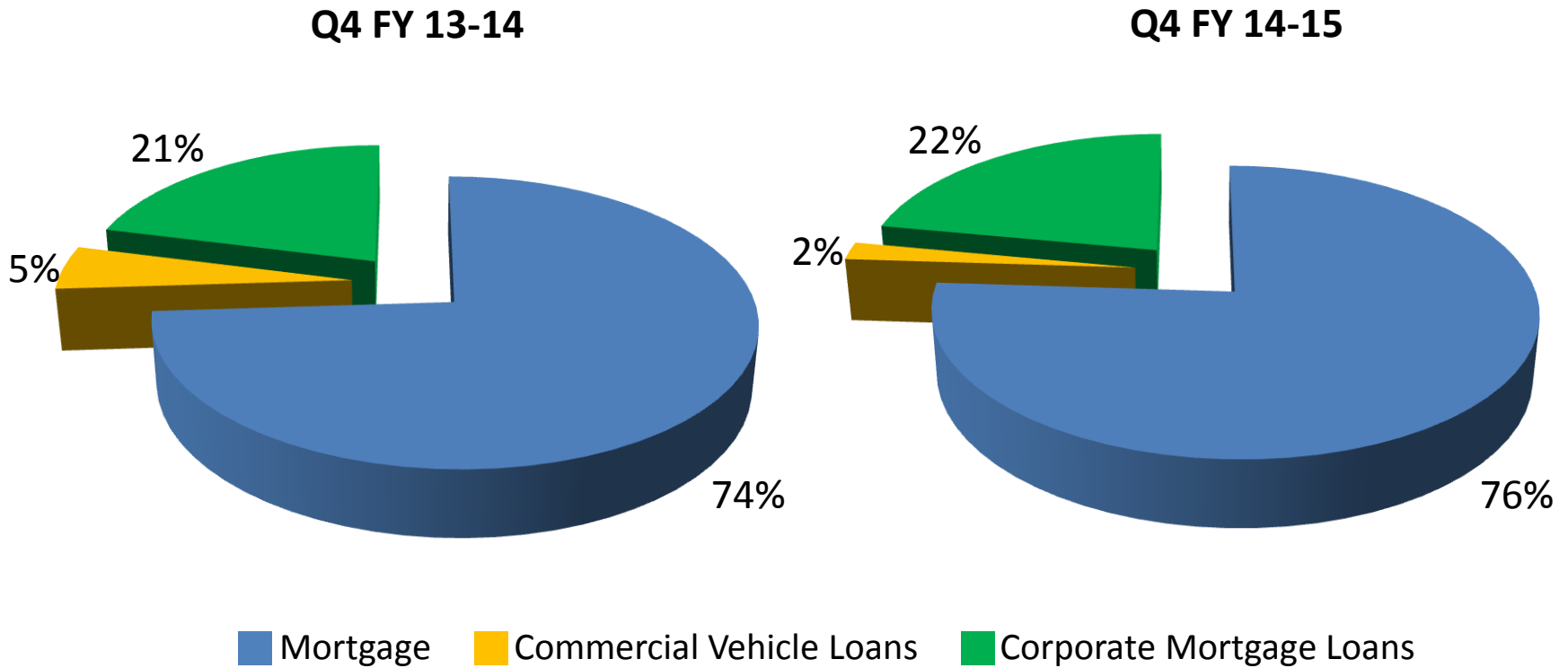
Balance Sheet Assets



Total Assets	
As at March 31, 2015	Rs. 57,231 Cr. (US\$ 9.23 bn)
As at March 31, 2014	Rs. 44,417 Cr. (US\$ 7.16 bn)

* Cash, Cash Equivalents and Investments in Liquid Debt Instruments
 US \$ amounts are converted based on the exchange rate of US \$1 = Rs. 62

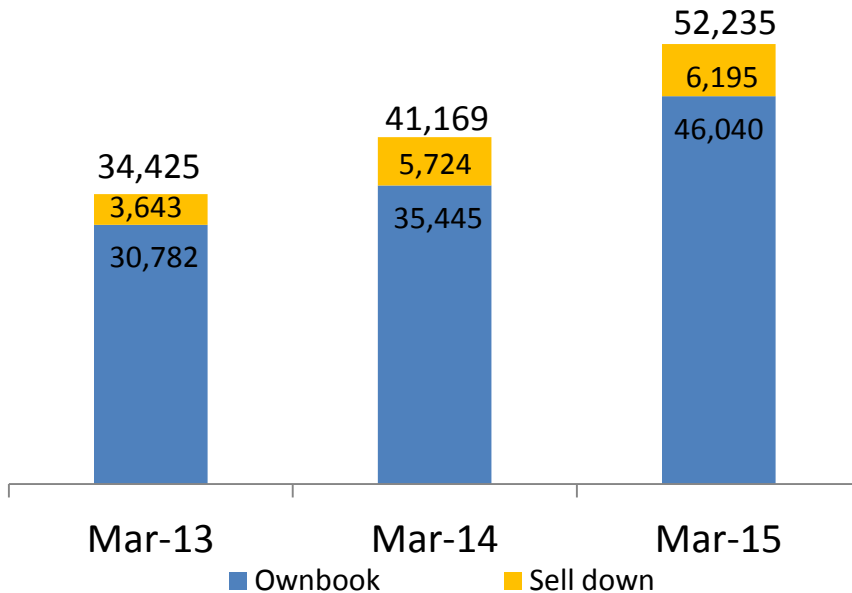
Asset Composition



- Driven by the growth of the Home loans book, retail mortgage book growth has outpaced the growth of corporate mortgage book growth
- Home loans, which forms the majority of incremental disbursements, are disbursed at an average ticket size of Rs. 24 Lacs; average LTV of 71% (at origination)

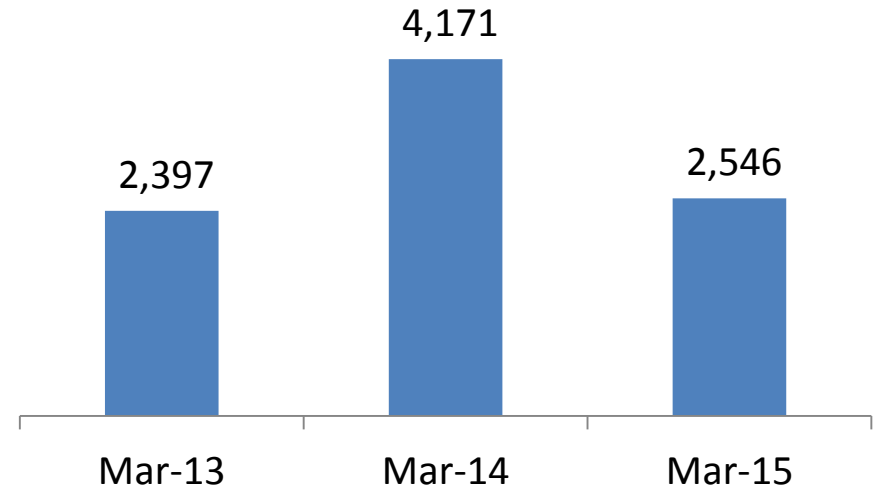
Loan Book Growth

Total Loan Assets (Rs. Cr.)



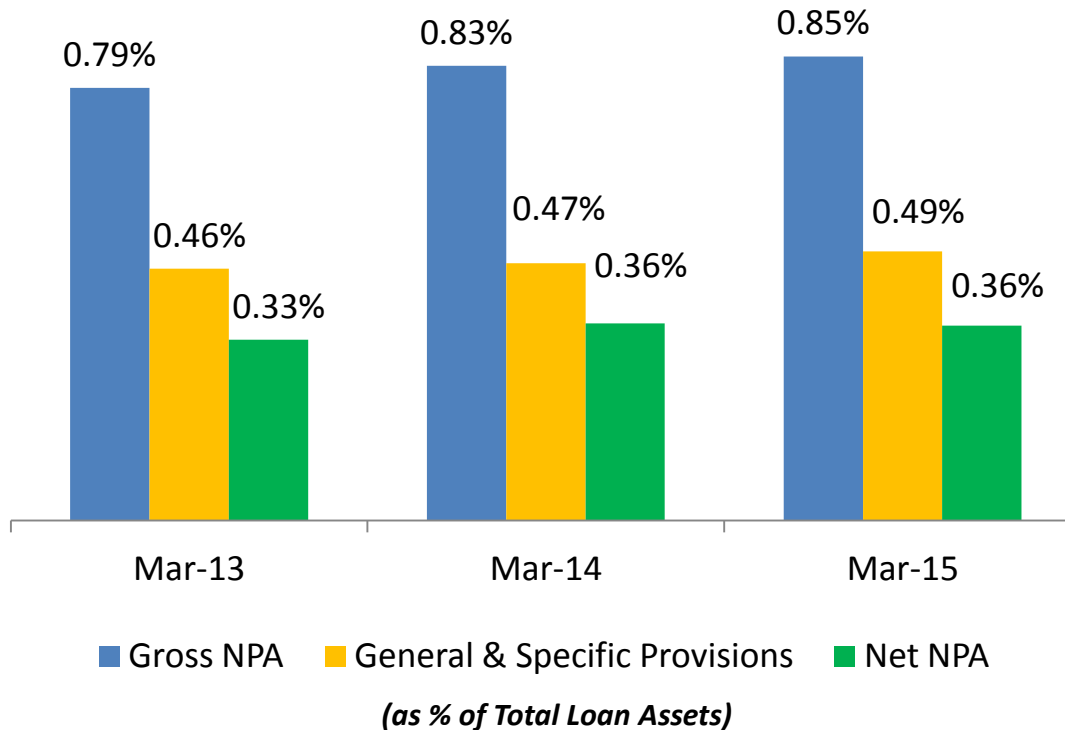
Loans Sold (Rs. Cr.)

(in preceding 12 months)



- Loans sold (outstanding as on 31st Mar, 2015): Rs. 6,195 Cr. – on which spread at 3.4% p.a. is to be earned over the life of the loan

Asset Quality



As at Mar 31, 2015	
	(in Rs. Cr.)
NPA (90+ dpd):	442.8
Provisions for Contingencies:	615.5
Of which	
NPAs:	256.9
Other provisioning:	358.6
Regulatory Provisioning:	394.5
Excess Provisioning Over Regulatory Provisioning:	221.0

Provisioning Cover : 139% of GNPA

- NPA's continue to remain within the target range. With the expected economic recovery, recoveries are expected to accelerate
- Standard Asset Provision and Counter-cyclical Provision pool of Rs. 358.6 Cr is over and above General and Specific Provision pool and is not netted off against Gross NPAs in calculation of Net NPAs

Home Loan Profile:

Focus on Affordable Housing



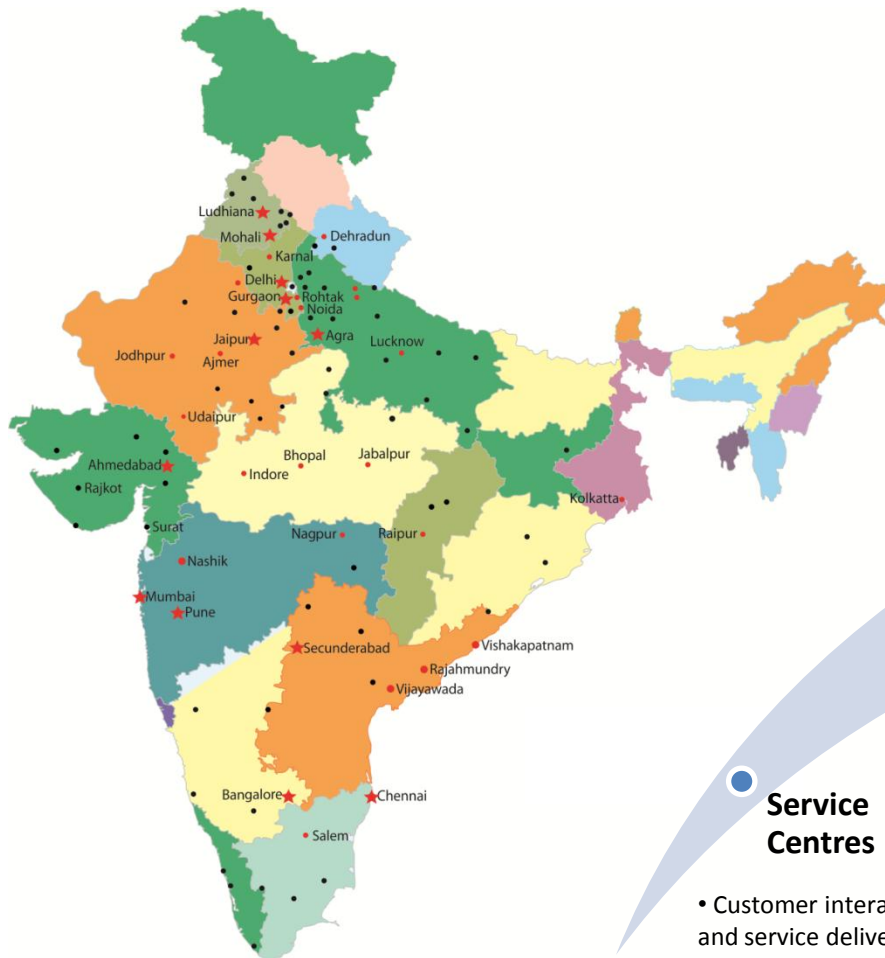
Average Loan Size	24 Lacs
Maximum Loan to Value	80%
Average Loan to Value	71% (at origination)
Average Loan Term	15 years
Primary Security	Mortgage of property financed
Repayment Type	Monthly amortizing

- RBI defines Affordable housing finance as housing loans to individuals up to Rs. 50 Lacs for houses of value up to Rs. 65 Lacs in the six metros and housing loans up to Rs. 40 Lacs for houses of value up to Rs. 50 Lacs in other towns / cities
- HFCs are permitted to borrow through ECBs for lending towards affordable housing. IBHFL has drawn down facilities of \$ 200 million in FY 2014-15

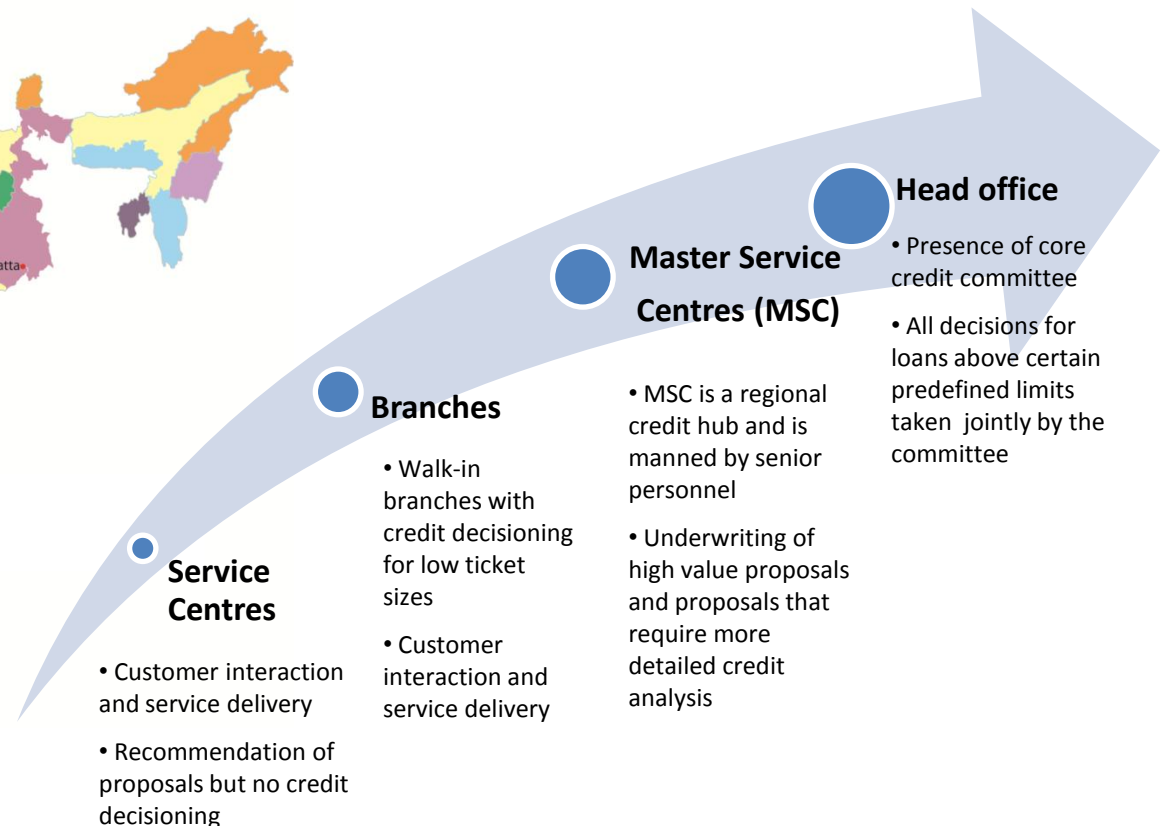
Conservative Loan Against Property Profile

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

Country wide reach

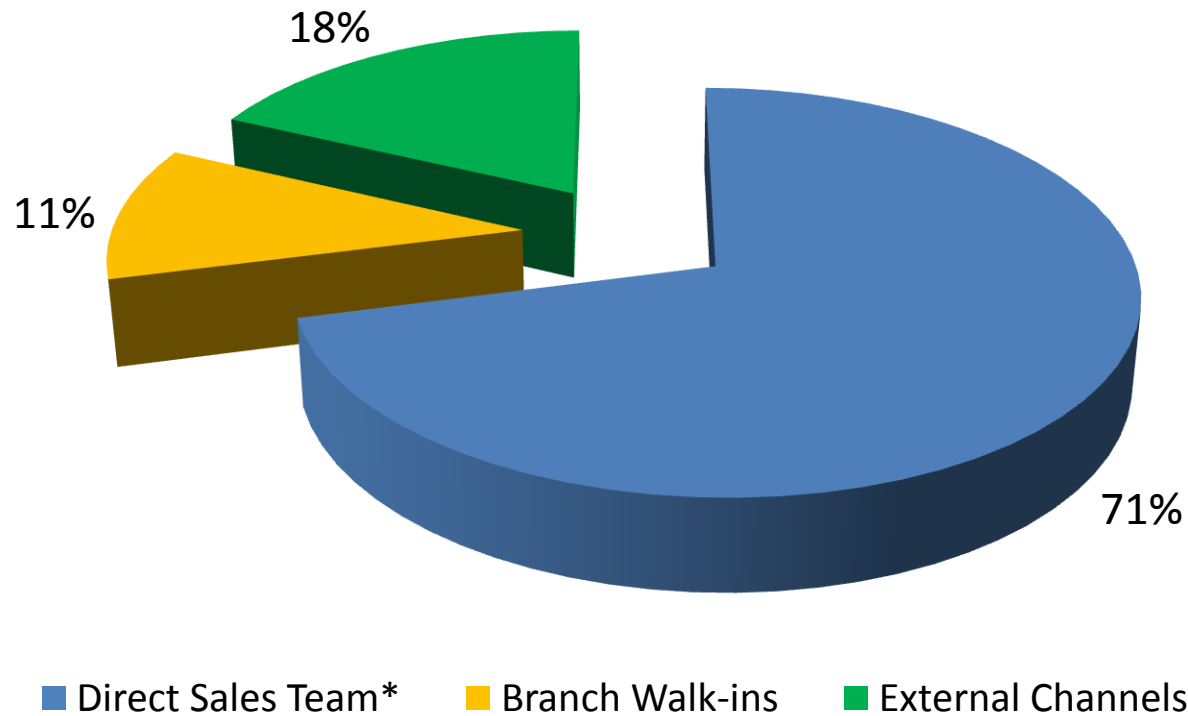


- ★ Denotes cities with 3 or more offices
- Denotes cities with 2 offices
- Offices



Mortgage Loans' Sourcing

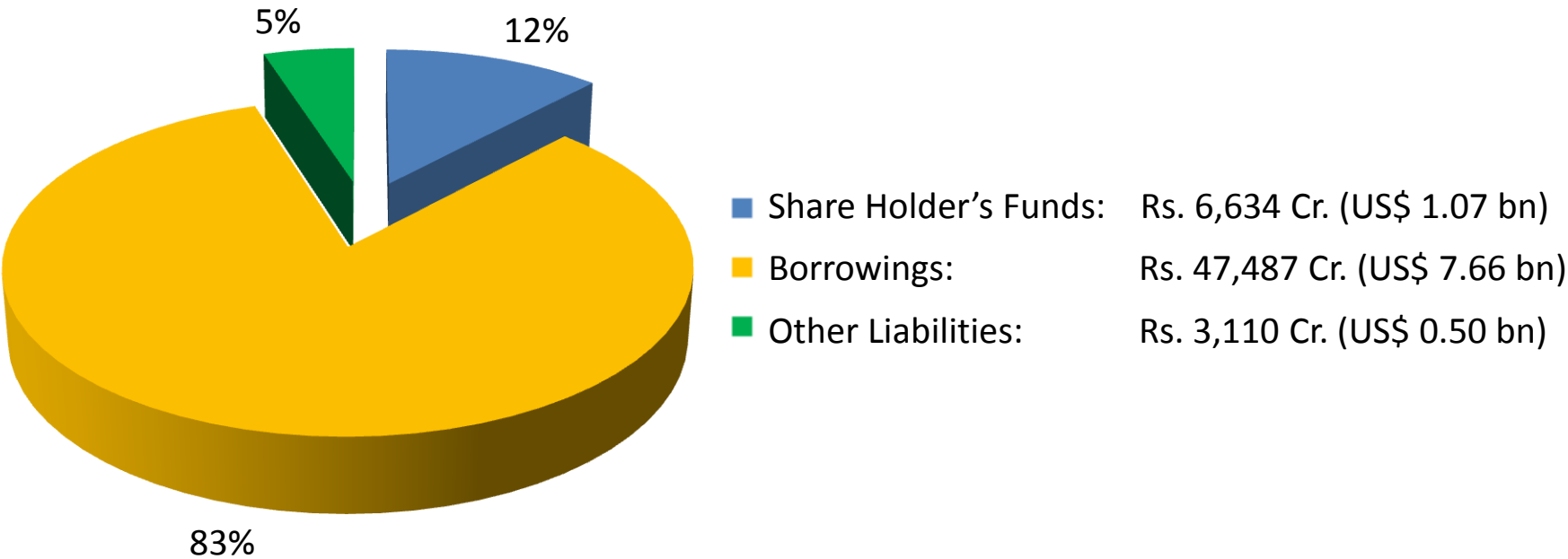
82% of Mortgage loans are sourced in-house



- Over 80% of the incremental sourcing is done in-house by on-rolls employees

**Direct Sales Team - on rolls sales employees*

Liabilities

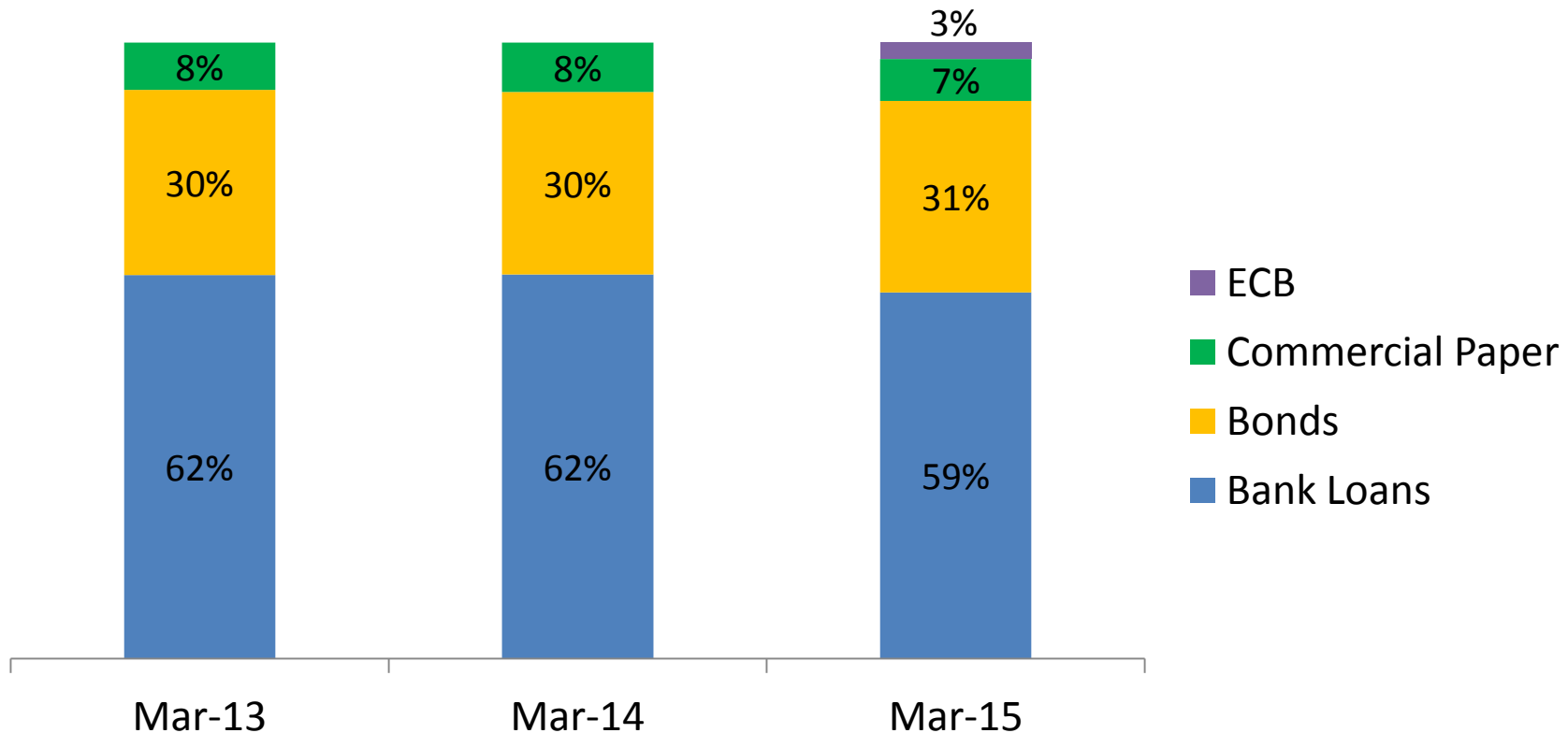


Total Liabilities:

As of March 31, 2015: Rs. 57,231 Cr. (US\$ 9.23 bn)

As of March 31, 2014: Rs. 44,417 Cr. (US\$ 7.16 bn)

Diversified Borrowing Programme

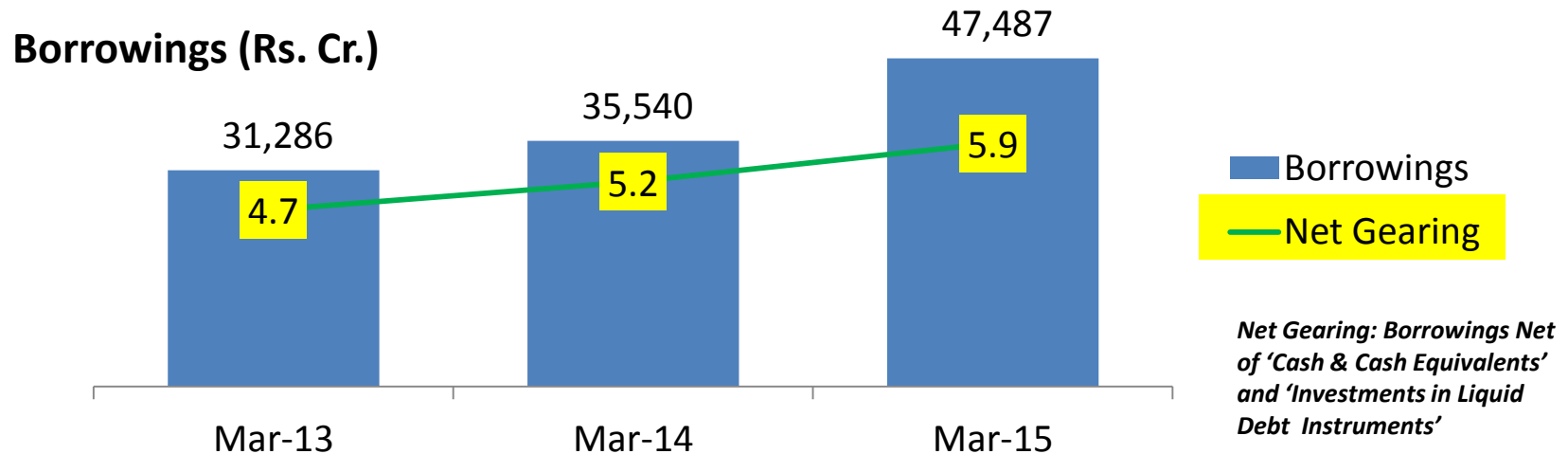


Total Borrowings:

As of March 31, 2015: Rs. 47,487 Cr. (US\$ 7.66 bn)

As of March 31, 2014: Rs. 35,540 Cr. (US\$ 5.73 bn)

Diversified Borrowing Programme



Total Borrowings (Rs. Cr.)			Contribution in Incremental Borrowing
	Mar-15	Mar-14	Last 12 months
Bank Loans	28,400	22,170	52%
Bonds	14,628	10,525	34%
ECB	1,252	-	11%
CP	3,207	2,844	3%
Total	47,487	35,540	100%

- Bond issuances have been healthy, and along with ECBs contributed 45% of the incremental borrowings in the last 12 months
- Amongst its lenders, the company now counts 132 strong relationships: 26 PSU banks, 17 Private and Foreign banks and 89 Mutual Funds, Provident Funds, Pension Funds, Insurance Companies and others

Business Value Proposition

Growing Economy/ Low mortgage penetration, increasing market share

Focus on affordable housing. Nationwide Network with expanding footprint

Young staff: better connect with increasingly younger home buyer

Healthy capitalization and balance sheet size

Leading player in Self employed mortgage lending – extensive expertise and underwriting experience

Technology leveraged scalable capacity. Thrust on digital presence – exploiting digital opportunity

Focus on profitability in each business segment

Robust risk management, low NPA levels

High operating efficiencies , low cost-to-income levels

Scalable and Sustainable Value Creation

Eminent and Experienced Board of Directors

Board of Directors with pre-eminence and experience in diverse fields

- Mr. Sameer Gehlaut : Chairman of the Board
- Mr. Gagan Banga : Vice Chairman and MD
- Dr. K.C. Chakrabarty : Former Deputy Governor of the Reserve Bank of India
- Justice Surinder Singh Nijjar : Retired Justice, Supreme Court of India
- Justice Bisheshwar Prasad Singh : Retired Justice, Supreme Court of India
- Mrs. Manjari Kacker : Former member of CBDT (Central Board of Direct Taxes)
- Brig. Labh Singh Sitara : Honoured with the Dhyan Chand Award by the President of India
- Mr. Samsher Singh Ahlawat : 20 years of banking experience in senior management positions
- Mr. Prem Prakash Mirdha : Business background with expertise in SME sector
- Mr. Ashwini Kumar Hooda : Deputy Managing Director
- Mr. Ajit Kumar Mittal : Ex-Reserve Bank of India

Indiabulls Foundation: Corporate Social Responsibility

Indiabulls
HOME LOANS

Health

- The Foundation has a free medical clinic at Lower Parel to provide primary and preventive health care to the underprivileged and the clinic has successfully treated 19,000 patients till date.
- The Foundation has 6 medically equipped vans. Each caters to approximately 15 to 16 locations per week and diagnoses 80 to 100 patients per day.



Indiabulls Foundation E-learning (IBFE)

- The Foundation has tied up with MKCL(Maharashtra Knowledge Corporation Ltd.) authorized computer centers in Amravati, Nasik and Raigad districts and has helped several rural youths gain basic IT literacy and obtain employment



Disaster Relief

- The Foundation provided timely relief to 10,000 flood affected people in Kashmir by providing them with nutrition supplements and medicines.



Rural Empowerment

- The Foundation has sponsored a water project called 'Rahat' at Dadade Tribal Ashram School, Thane district, where there was acute scarcity of water. Over 1,100 children of this tribal school have benefited from this initiative.



Education

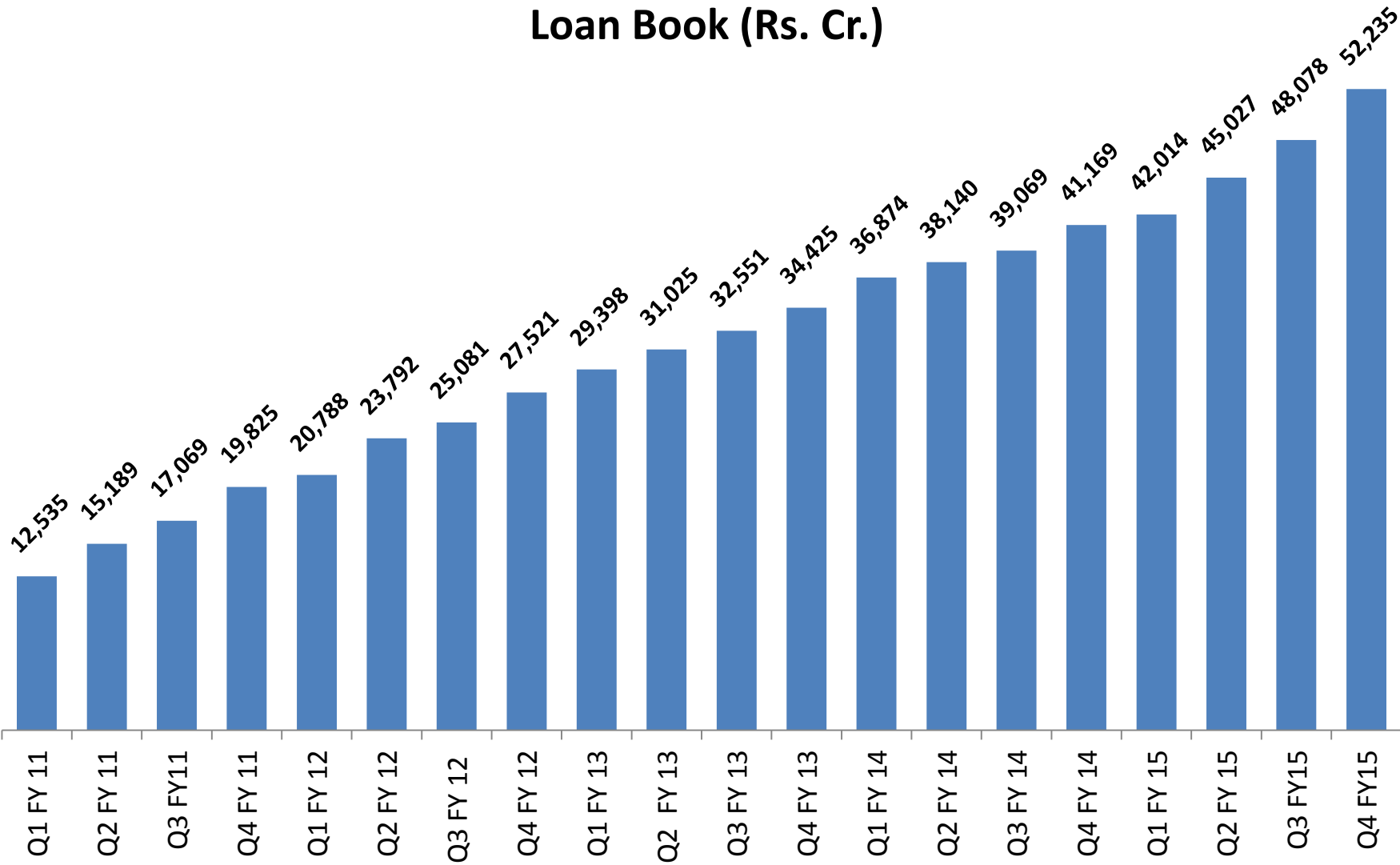
- The Foundation has offered scholarships to over 100 deserving students to continue their education after the 12th standard.



Sustained Financial Performance

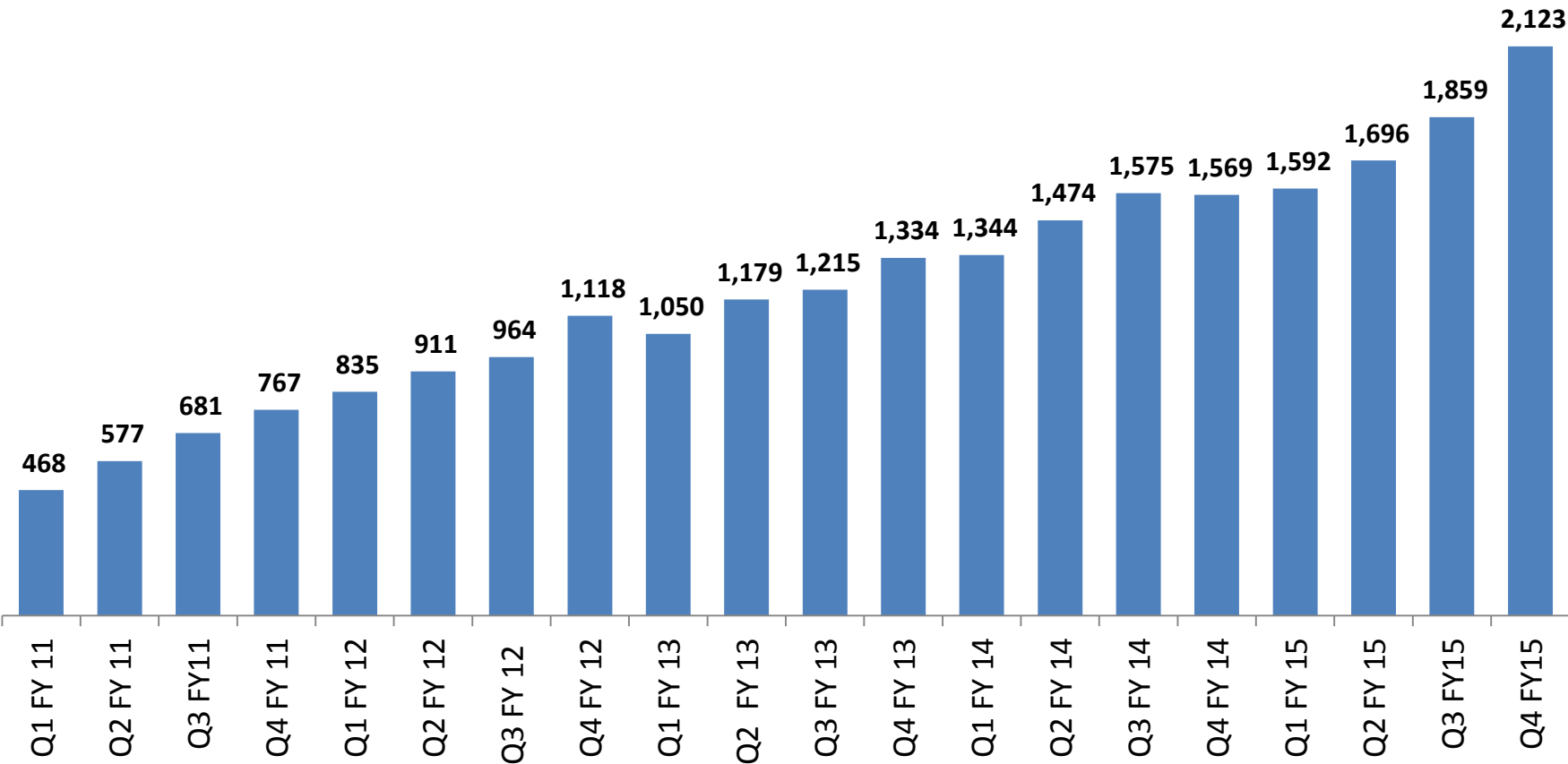
Sustained Financial Performance

Loan Book (Rs. Cr.)



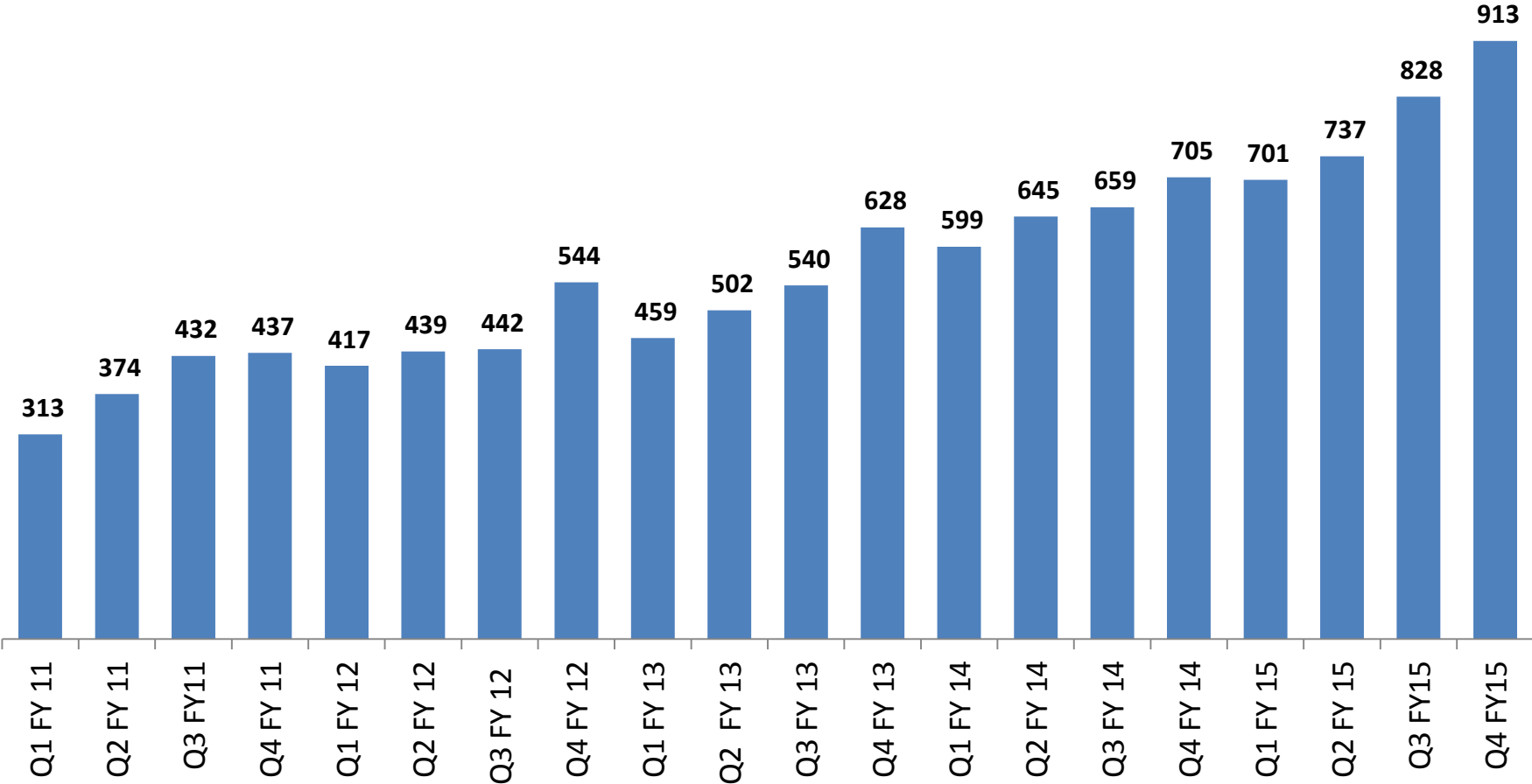
Sustained Financial Performance

Total Revenues (Rs. Cr.)



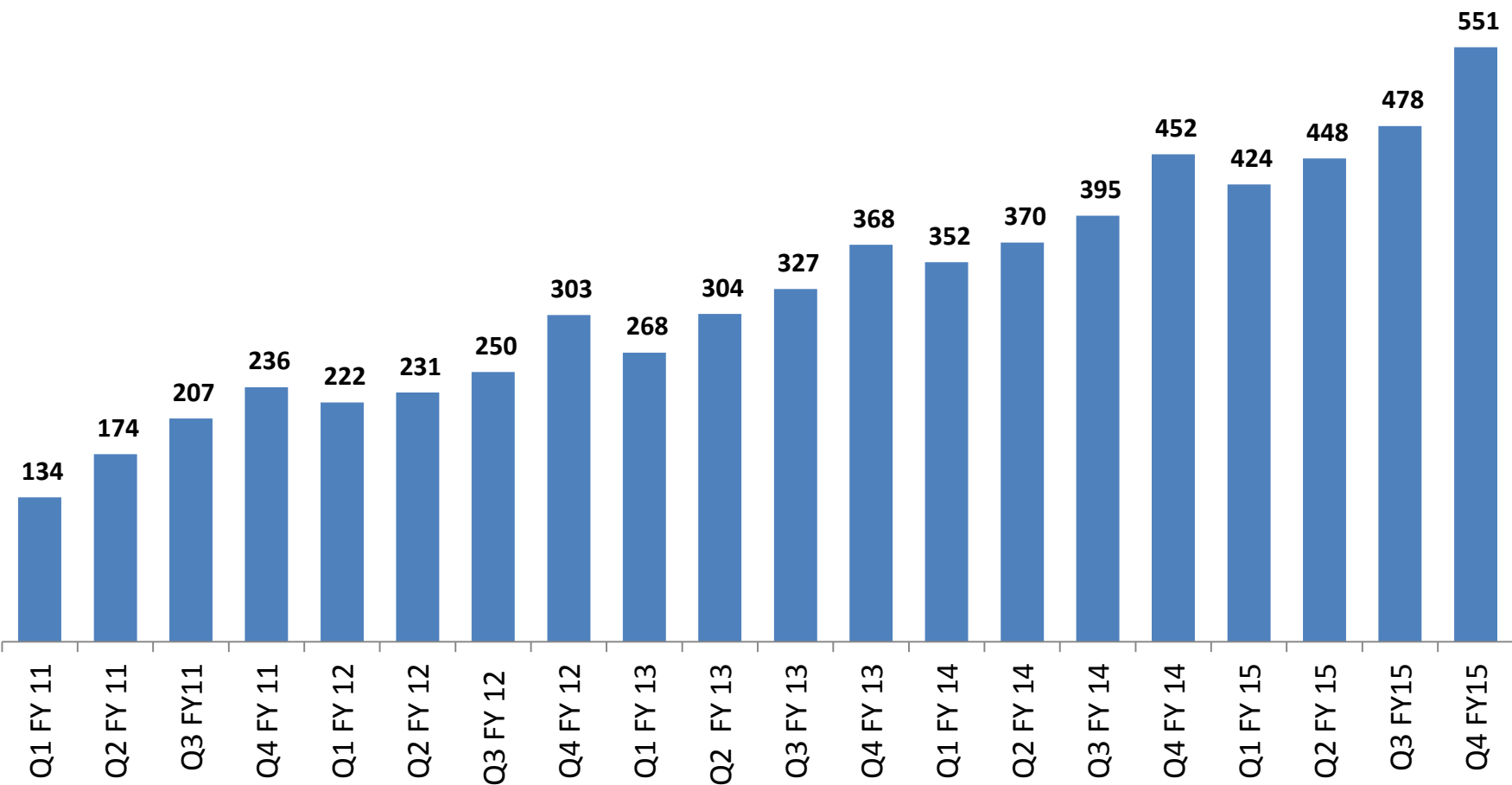
Sustained Financial Performance

Net Interest Income (Rs. Cr.)



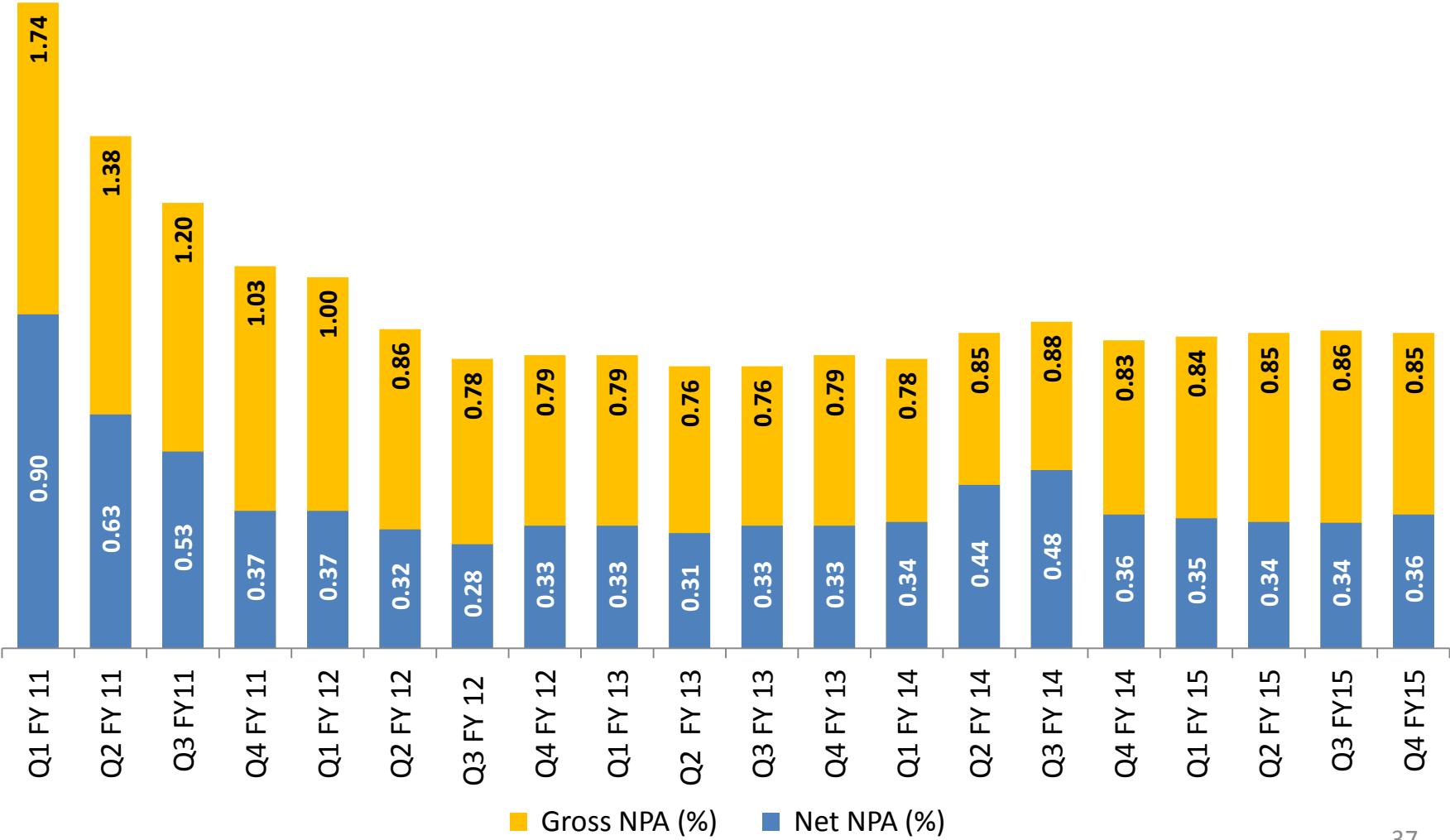
Sustained Financial Performance

Profit After Tax (Rs. Cr.)



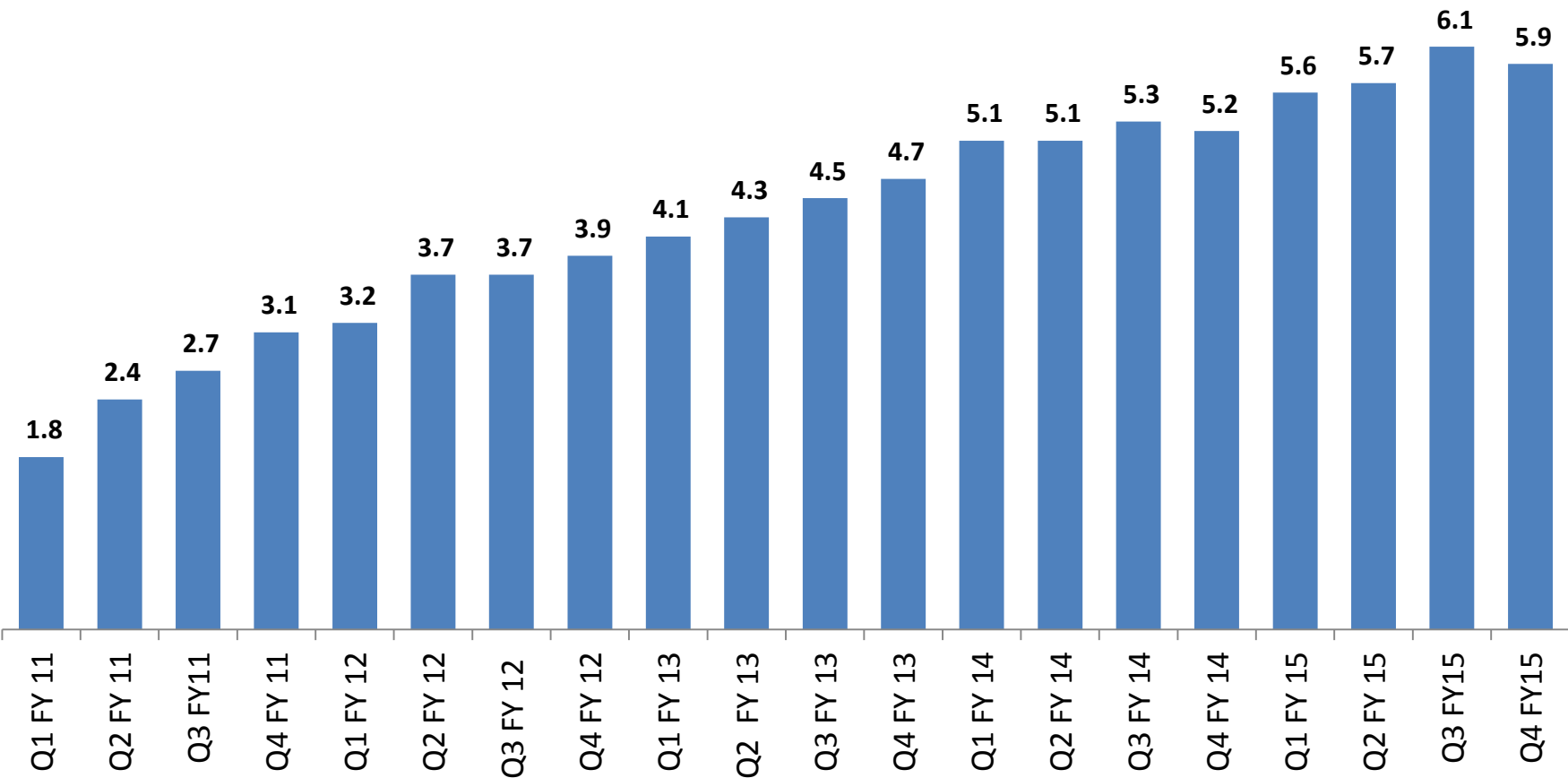
Sustained Financial Performance

Asset Quality (%)



Sustained Financial Performance

Net Gearing



Key Ratios, Valuations and Shareholding

Rising Productivity Ratios

	FY 2015	FY 2014	FY 2013	FY 2012
No. Of Employees	4,840	4,099	4,072	4,243
Profit Per employee (Rs. Cr.)	0.39	0.38	0.31	0.24
Asset Per employee (Rs. Cr.)	11.82	10.84	8.09	5.85
Cost Income Ratio	16.4%	17.1%	18.0%	18.7%

Rising Productivity Ratios

	FY 2015	FY 2014	FY 2013	FY 2012
Pre Tax RoAA (%)	4.9%	4.8%	4.9%	4.9%
Post Tax RoAA (%)	3.7%	3.8%	3.8%	3.7%
RoE (%)	29%	27%	26%	22%
Capital Adequacy (%)	18.36%	19.14%	18.47%	18.86%
- Tier I	15.25%	15.05%	14.96%	18.21%
- Tier II	3.11%	4.09%	3.51%	0.65%

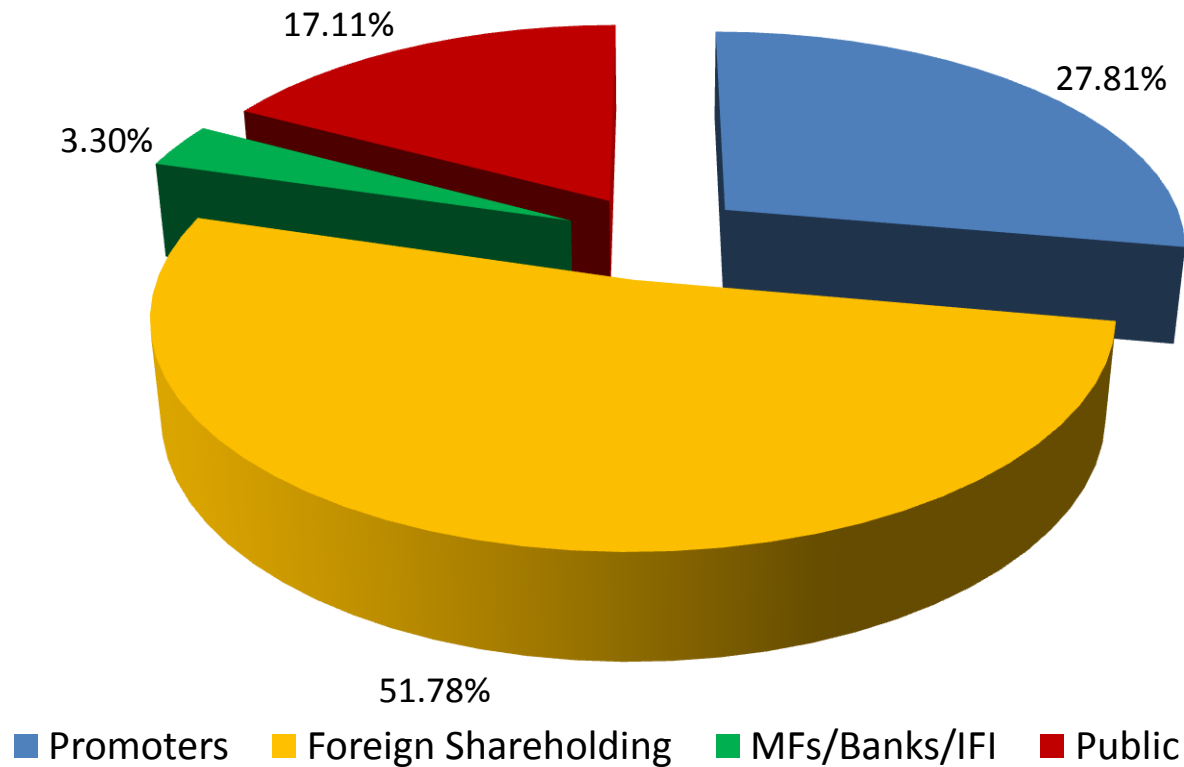
Valuations and Returns

	Mar-15	Mar-14	Mar-13	Mar-12
Market Price per share (Rs.)	559.9*	285.6	271.8	207.1
Market Capitalisation (US\$ Bn)	3.21	1.59	1.42	1.08
PE Ratio (times)	10.2	6.0	6.8	6.5
Book Value per share (Rs.)	184.5	168.7	165.4	157.7
Price to Book Ratio (times)	3.0	1.7	1.6	1.3
Foreign Shareholding (%)	51.8%	41.1%	45.2%	38.7%

* Share price as on 23rd April, 2015

US \$ amounts are converted based on the exchange rate of US \$1 = Rs. 62

Shareholding Pattern



Detailed Financials

Consolidated Balance Sheet

Statement of Assets and Liabilities Particulars	(Rupees in Crore)	
	As at	
	31.03.15 (Audited)	31.03.14 (Audited)
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	71.11	66.81
(b) Reserves and Surplus	6,560.59	5,638.70
(2) Minority Interest	2.05	1.91
(3) Non-Current Liabilities		
(a) Long-term borrowings	29,105.45	20,165.52
(b) Deferred tax Liabilities (net)	2.40	-
(c) Other Long term liabilities	238.92	0.22
(d) Long term provisions	479.04	368.39
(4) Current Liabilities		
(a) Short-term borrowings	11,861.48	9,147.40
(b) Trade payables	3.16	2.33
(c) Other current liabilities	8,617.14	8,143.77
(d) Short-term provisions	289.87	881.89
Total	57,231.20	44,416.94
II. ASSETS		
(5) Goodwill on Consolidation	68.56	68.56
(6) Non-current assets		
(a) Fixed assets	54.13	46.91
(b) Non-current investments	22.91	24.65
(c) Deferred tax assets (net)	5.03	184.77
(d) Long term loans and advances	40,673.61	31,030.23
(e) Other non-current assets	417.56	815.29
(7) Current assets		
(a) Current investments	6,140.86	2,922.34
(b) Trade receivables	4.23	0.63
(c) Cash and cash equivalents	3,490.29	4,419.04
(d) Short-term loans and advances	5,799.31	4,549.77
(e) Other current assets	554.69	354.76
Total	57,231.20	44,416.94

**Rs. 9,631 Cr. of
Cash & Cash
Equivalents and
Investments in
Liquid Debt
Instruments**

Consolidated Income Statement

		(Rupees in Crore)				
	Particulars	Quarter ended			Year ended	
		31.03.15	31.12.14	31.03.14	31.03.15	31.03.14
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Income from Operations					
	a) Income from Operations	1,745.86	1,618.12	1,244.08	6,121.03	5,186.51
	b) Other Operating Income	131.86	82.96	78.27	343.91	232.88
	Total Income from operations (net)	1,877.71	1,701.08	1,322.36	6,464.94	5,419.39
2	Expenses					
	a) Employee Benefits Expense	82.18	81.72	58.30	324.89	263.73
	b) Depreciation and Amortisation Expense	4.78	4.72	1.81	18.76	7.89
	c) Other Expenses	215.03	122.05	176.45	510.03	368.99
	Total Expenses	301.99	208.49	236.56	853.68	640.61
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2)	1,575.73	1,492.59	1,085.80	5,611.26	4,778.78
4	Other Income	244.93	157.72	235.54	805.46	485.38
5	Profit from ordinary activities before Finance costs & Exceptional Items (3+4)	1,820.66	1,650.31	1,321.34	6,416.72	5,264.17
6	Finance Costs	1,071.30	1,028.11	852.19	3,944.20	3,282.38
7	Profit from ordinary activities after Finance costs but before Exceptional Items (5-6)	749.36	622.20	469.15	2,472.53	1,981.79
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7-8)	749.36	622.20	469.15	2,472.53	1,981.79
10	Tax Expense (including Deferred Tax and MAT credit entitlement)	198.30	144.09	17.64	571.29	413.25
11	Net Profit from Ordinary Activities after Tax (9-10)	551.06	478.11	451.51	1,901.24	1,568.54
12	Extraordinary Items (net of tax expenses Rs. NIL)	-	-	-	-	-
13	Net Profit for the period / year (11-12)	551.06	478.11	451.51	1,901.24	1,568.54
14	Minority Interest for the period / year	0.03	0.03	0.06	0.13	4.38
15	Net Profit from Ordinary Activities after Tax and Minority Interest (13-14)	551.03	478.08	451.45	1,901.10	1,564.16
16	Paid-up Equity Share Capital	71.11	71.03	66.81	71.11	66.81
17	Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2015				6,175.39	5,638.70
18	Minority Interest	2.05	2.02	1.91	2.05	1.91
19	Earnings per Share (EPS) before extraordinary items					
	*(EPS for the quarters are not annualised)					
	-Basic (Amount in Rs.)	15.50*	13.46*	13.52*	54.95	47.96
	-Diluted (Amount in Rs.)	15.11*	13.23*	13.44*	53.36	47.47
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) after extraordinary items					
	*(EPS for the quarters are not annualised)					
	-Basic (Amount in Rs.)	15.50*	13.46*	13.52*	54.95	47.96
	-Diluted (Amount in Rs.)	15.11*	13.23*	13.44*	53.36	47.47
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00

Thank you