Indiabulls Housing Finance Limited

May 8, 2024

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<table>
<tr><th>Issue Details</th><th>Credit Rating</th><th>Security Cover</th><td rowspan="5">Lead Managers:
Trust Investment Advisors Private Limited & Others.
Registrar:
Kfin Technologies Limited.
Debenture Trustee:
IDBI Trusteeship Services Limited.
Credit Rating Agency:
CRISIL Ratings Limited & ICRA Limited.
Statutory Auditor:
S.N. Dhawan & Co LLP, Chartered Accountants.</td></tr>
<tr><td rowspan="3">Public issue of secured redeemable non-convertible debentures of face value of ₹1,000 each ("NCDs") for an amount up to ₹100 crores ("Base Issue Size") with a green shoe option of ₹100 crores aggregating up to ₹200 crores.</td><td>CRISIL AA/Stable & ICRA AA/Stable</td><td>1.25x</td></tr>
<tr><th>Face value/ Issue Price</th><th>Bid Lot</th></tr>
<tr><td>₹ 1,000/-</td><td>10 NCD and in multiples of 1 NCD thereafter</td></tr>
<tr><td>Listing: NSE & BSE.</td><th colspan="2">Tranche VI Issue Schedule</th></tr>
<tr><td></td><td colspan="2">Tranche VI Issue Opens: Monday, 13th May 2024
Tranche VI Issue Closes: Monday, 27th May 2024</td></tr>
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Issuer Overview:

- Indiabulls Housing Finance Limited is a prominent non-deposit taking housing finance company, registered with the National Housing Bank (NHB) and recognized as a financial institution under the SARFAESI Act. Specializing in housing loans and loans against property, the company caters to a diverse clientele, including salaried employees, self-employed individuals, MSMEs, and corporates. Housing loans constituted 57% of its Loan Book as of March 31, 2023. The company has a pan-India presence through 214 branches & a direct sales team of 1,433 employees as of 31st March 2024. The company emphasizes long-term secured mortgage-backed loans and offers support to real estate developers.
- As of December 31, 2023, Indiabulls Housing Finance Limited has a standalone Loan Book of ₹46,034.59 crores and a consolidated Loan Book of ₹55,917.07 crores. Leveraging a combination of a direct sales team, external channels, and an online platform (e-Home Loans), the company ensures efficient customer reach and streamlined processes. The financial structure includes diversified long-term and medium-term borrowings, with a focus on maintaining a robust lender base. The company has adopted an asset-light growth model, involving co-lending partnerships and increased portfolio sell-downs, reflecting a strategic response to industry challenges and market dynamics. With a proactive liquidity management approach, strong financial indicators, and a successful financial performance for the nine months ending December 31, 2023, Indiabulls Housing Finance Limited positions itself as a stable player in the housing finance sector, aiming to expand lending operations in smart cities in Fiscal Year 2024. As of December 31, 2023, the company's consolidated borrowings (other than debt securities) were ₹28,306.61 crores, consolidated debt securities were ₹15,807.34 crores and consolidated subordinated liabilities were ₹4,184.01 crores.

Key Strengths:

- **A leading pan-India HFC with robust financials and credit ratings:**

  Indiabulls Housing Finance Limited's widespread presence across India facilitates customer expansion, focusing on loans for salaried, self-employed, and MSMEs. They've cultivated a strong brand through quality service and "Indiabulls" brand recognition. With a robust financial profile, they achieved a ₹1,129.69 crore profit in 2023, boasting a 23.01% standalone CRAR. Their extensive reach and financial stability position them favorably in the HFC industry, instilling confidence in stakeholders, including shareholders, lenders, and rating agencies.

- **Diversified Funding Sources:**

  IBHFL has diversified funding sources and strong lender relationships. As of December 31, 2023, their consolidated borrowings (i.e., the sum of debt securities, borrowings (other than debt

securities) and subordinated liabilities) were through banks and financial institutions 58.13%, issuances of non-convertible debentures and other debt instruments, including perpetual and subordinated debt 41.39% and lease liability 0.48%.

- **Effective Use of Technology:**

  IBHFL offers an e-Home Loans facility, a technology-driven platform enabling paperless loans via computers and mobile devices. This digital approach enhances customer convenience and expands market reach, reducing operational costs. Tech enabled Information security measures are also employed to safeguard competitiveness, customer confidence, and brand value.

- **Expertise in providing Loans to Self Employed Individuals & MSME's:**

  Indiabulls Housing Finance Limited specializes in secured property loans for self-employed, proprietorships, MSMEs, and corporates. With over 16 years of LAP experience, they've demonstrated portfolio resilience through economic challenges. Their experienced team and robust processes are well-positioned to seize opportunities in the secured MSME market.

- **Prudent Credit & Collection Policies:**

  Indiabulls Housing Finance Limited demonstrates strength in its tailored credit policies, adeptly managing loan offerings and associated risks. With a seasoned team, it maintains high collection efficiencies and quality Loan Book management. Its proactive approach to NPAs, including higher provisioning and ECL allowances, underscores its resilience amid economic challenges like the COVID-19 pandemic.

Financials (Consolidated):

Balance Sheet (₹ Crores)	H1FY24	FY23	FY22	FY21
BALANCE SHEET				
Property, Plant and Equipment	91.37	77.80	67.02	82.80
Financial Assets	69,339.82	69,730.05	76,341.31	89,916.08
Non-financial Assets excluding property, plant and equipment	3,476.79	5,137.39	5,564.99	3,240.15
Total Assets	**72,907.98**	**74,945.24**	**81,973.32**	**93,239.03**
Financial Liabilities				
-Derivative financial instruments	27.64	14.82	122.71	289.22
-Trade Payables	5.20	3.53	0.66	1.22
-Debt Securities	16,077.51	18,837.07	23,665.34	30,219.07
-Borrowings (other than Debt Securities)	27,845.23	28,863.87	32,869.99	33,768.40
-Subordinated liabilities	4,206.89	4,396.94	4,626.03	4,678.11
-Other financial liabilities (includes lease liabilities)	5,811.27	4,705.82	2,880.22	7,287.16
Non - Financial Liabilities				
-Current tax liabilities (net)	13.73	13.81	151.76	144.55
-Provisions	77.98	77.75	135.09	124.80
-Other non - financial liabilities	414.21	364.75	649.14	451.63
Equity (Equity Share capital and Other Equity)	**18,428.29**	**17,361.25**	**16,674.06**	**16,133.86**
Total Equity and Liabilities	**72,907.98**	**74,945.24**	**81,973.32**	**93,239.03**
Profit & Loss Account (₹ Crores)	H1FY24	FY23	FY22	FY21
Revenue from operations	4,127.59	8,719.28	8,983.31	9,927.42
Other Income	30.33	6.51	10.59	102.70
Total Income	4,157.92	8,725.79	8,993.90	10,030.12
Total Expenses	3,340.13	7,121.94	7,438.13	8,468.46
Net Profit after tax	592.37	1,129.69	1,177.74	1,201.59

Key Financial Indicators:

PARTICULARS (₹ Crores)	H1FY24	2023	2022	2021
Net Worth	18,370.46	17,303.42	16,616.23	16,076.03
Cash & Cash Equivalents	5,024.14	3,697.64	7,986.04	13,124.16
Loans	53,106.13	55,831.30	59,950.19	65,407.25
Loan Book	54,340.74	57,011.22	61,589.26	67,862.00
Total Debts to Total Assets	66.41%	69.92%	74.85%	73.79%
Interest Income	4,068.35	8,561.39	8,902.40	9,833.40
Interest Expenses	2,703.67	5,636.49	6,241.62	6,939.38
Bad Debts to Loans	1.38%	0.79%	1.03%	0.69%
% Stage 3 Loans on Loan Book	3.37%	3.37%	3.76%	3.16%
% Net Stage 3 Loans on Loan Book	1.94%	2.24%	2.21%	1.90%
Tier I Capital Adequacy Ratio (%)	21.91%	18.39%	16.59%	16.27%
Tier II Capital Adequacy Ratio (%)	4.11%	4.62%	5.90%	6.57%

Specific Terms of NCD:

Series	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Frequency of Interest Payment	Annual	Monthly	Cumulative	Annual	Monthly	Cumulative	Annual	Monthly	Annual	Monthly	Annual	Monthly
Tenor	24 Months	24 Months	24 Months	36 Months	36 Months	36 Months	60 Months	60 Months	84 Months	84 Months	120 Months	120 Months
Coupon (% per annum) for NCD Holders in Category I & II	9.25%	8.88%	NA	9.40%	9.02%	NA	9.65%	9.25%	10.00%	9.57%	10.25%	9.80%
Coupon (% per annum) for NCD Holders in Category III & IV	9.65%	9.25%	NA	9.90%	9.48%	NA	10.15%	9.71%	10.50%	10.03%	10.75%	10.25%
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in Category I & II	₹ 1,000	₹ 1,000	₹1,193.56	₹ 1,000	₹ 1,000	₹ 1,309.34	Staggered Redemption in Three (3) annual payments of ₹333.33 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Three (3) annual payments of ₹333.33 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Five (5) annual payments of ₹200.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Five (5) annual payments of ₹200.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Eight (8) annual payments of ₹125.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Eight (8) annual payments of ₹125.00 each, starting from 3rd Anniversary until Maturity
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in Category III & IV	₹ 1,000	₹ 1,000	₹ 1,202.32	₹ 1,000	₹ 1,000	₹ 1,327.38	Staggered Redemption in Three (3) annual payments of ₹333.33 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Three (3) annual payments of ₹333.33 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Five (5) annual payments of ₹200.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Five (5) annual payments of ₹200.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Eight (8) annual payments of ₹125.00 each, starting from 3rd Anniversary until Maturity	Staggered Redemption in Eight (8) annual payments of ₹125.00 each, starting from 3rd Anniversary until Maturity

Allocation Ratio:

Institutional Portion	Non-Institutional Portion	High Net-worth Individual Category Portion	Retail Individual Investors Portion
30%	10%	30%	30%

Disclaimer:

'The investors shall invest only on the basis of information contained in the Shelf Prospectus and Tranche VI Prospectus'

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Indiabulls Housing Finance Limited ("Company"), subject to market conditions, and other considerations, is proposing a public issue of secured redeemable non-convertible debentures ("NCDs") and has filed Tranche VI prospectus dated May 8, 2024 (" Tranche VI Prospectus") which should be read together with the Shelf Prospectus dated June 30, 2023 (the "Shelf Prospectus") (together with the Tranche VI Prospectus, the "Prospectus") with the Registrar of Companies, Delhi and Haryana at New Delhi ("RoC"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") ("NSE" along with "BSE", the Stock Exchanges) and Securities and Exchange Board of India ("SEBI"). The Tranche VI Prospectus is available on the website of the Company at www.indiabullshomeloans.com, on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com, on the website of the lead managers at www.nuvama.com, www.elaracapital.com, www.trustgroup.in and on the website of SEBI at www.sebi.gov.in. Investors proposing to participate in the Tranche VI Issue should invest only on the basis of the information contained in the Tranche VI Prospectus. Investors should note that investment in the NCDs involves a high degree of risk and for details in relation to the same, refer to the Tranche VI Prospectus, including the section titled "Risk Factors" and "Material Developments" beginning on page [20] and [234] respectively of the Tranche VI Prospectus.