

Indiabulls Housing Finance Limited Announces its Q4 and FY 16-17 Financial Results. Quarter PAT of ₹ 841 Cr., up by 24.4%

For Immediate Use

Mumbai, 24 April 2017: The Board of Directors of Indiabulls Housing Finance Ltd (IBHFL), India's second largest housing finance company, announced its audited financial results for the quarter and year ended March 31st, 2017.

IBHFL's Profit After Tax (PAT):

FY17 (₹ Cr.)	FY16 (₹ Cr.)	Growth %
2,906	2,345	24.0%

Q4 FY17 (₹ Cr.)	Q4 FY16 (₹ Cr.)	Growth %
841	676	24.4%

Highlights FY16-17

- PAT for FY17 is at Rs. 2,906.4 Crs., up 24.0% over FY16's PAT of Rs. 2,344.7 Cr.
- Balance sheet size stands at ₹ 1,03,705 Cr.
- NII up 25.7% to ₹ 4,767.6 Cr.
- Cost-to-income down to 13.3% from 14.3% in FY16
- Gross NPA and Net NPA stable at 0.85% and 0.36% respectively
- Provision cover of 148% on Gross NPA

Highlights Q4 FY16-17

- PAT up 24.4% to ₹ 840.5 Cr.
- NII up 21.8% to ₹ 1,360 Cr.

Key Financials:

Balance sheet size at ₹ 1,03,705 Cr.

Particulars (₹ Crs.)	Q4 FY 17	Q4 FY 16	Y-o-Y Growth (%)
Total Revenues	3,225	2,647	21.8%
NII	1,360	1,116	21.8%
PAT	841	676	24.4%
EPS (₹)	19.83	16.04	
Gross NPA (%)	0.85%	0.84%	
Net NPA (%)	0.36%	0.35%	

FY17	FY16	Y-o-Y Growth (%)
11,702	9,226	26.8%
4,768	3,794	25.7%
2,906	2,345	24.0%
68.80	59.84	

Significant boost to Housing under PMAY:

Government agencies and regulators are coordinating policies and aligning fiscal incentives to further the government's headline socio-economic objective of 'Housing for All by 2022'. After announcing the expansion of interest subsidies under Pradhan Mantri Awas Yojana (PMAY) on New Year's eve, the detailed operational guidelines were notified in the second week of March. Coverage under the subsidy has been expanded to mass-market, mid-income housing: households earning up to ₹ 1.8 Mn. per annum purchasing their first house of up to 1,185 sq.ft., are now eligible for an upfront subsidy of as much as ₹ 230,000 towards their home loan. In addition to this, home loan customers can claim a deduction of as much as ₹ 400,000 from their taxable income against principal and interest components of home loan repayments. All factored in, a house of ₹ 3 Mn. purchased by availing a loan of ₹ 2.4 Mn. - this is squarely mass-market mid-income affordable housing – will only cost the borrowers 0.42% over the loan tenure. With the PMAY subsidy and tax savings factored in, the home loan borrowers only have to repay Rs. 2.43 Mn. Against ₹ 2.4 Mn. home loan.

Affordable housing has been granted infrastructure status in the 2017 budget. This allows ECB raising of up to \$ 750 mn per annum under the automatic approval route.

Government agencies and regulators such as RBI, SEBI and IRDA are aligned to the government's headline socio-economic mission of "Housing for All by 2022" and have widened funding avenues to HFCs. For the financial institutions regulated by these three regulators, lending flexibility to HFCs has been increased.

IBHFL very favourably placed to make the most of the opportunity in affordable housing

Increasing scale, technology leadership through e-Home Loans and expansion into tier-II cities through technology-led Smart City Home Loans means that IBHFL is making the most of the opportunity in affordable housing.

In FY17, IBHFL opened 43 new branches in tier-II towns and cities for Smart City Home Loans – this already contributes to **7%** of incremental home loan disbursements.

IBHFL's e-Home Loans launched in FY15, an industry-first end-to-end online home loans fulfilment platform, contributes 20% to incremental home loan disbursements.

Increasing scale and technology deployment has led to a steady drop in cost-to-income ratio resulting in improving profitability.

Mr. Gagan Banga, Vice Chairman and MD, IBHFL commented that, "The macros for mid-income affordable housing have never been better. Factoring in subsidies under the Pradhan Mantri Awas Yojana and tax deductions against home loan repayments, EMIs for mid-income affordable housing is now considerably lower than the rent cheque making home ownership very affordable and much cheaper than renting. IBHFL is focussed on home loans and our home loan book is expanding at a pace faster than other mortgage loans. Supported by very favourable macros for mid-income affordable we are on target to get to a balance sheet size of ₹ 2 trillion by FY2020."



About Indiabulls Housing Finance Limited

IBHFL is India's 2nd largest Housing Finance Company by market cap, profits and net worth. IBHFL has a balance sheet size of ₹ 1,03,705 Cr. It provides quick, convenient and competitively priced home loans in the affordable housing segment. IBHFL enjoys a 'AAA' long-term credit rating.