



February 25, 2021

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Company symbol: IBULHSGFIN

BSE Limited

Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Security code no.: 535789

Sub: Issue of foreign currency convertible bonds (“FCCBs”) aggregating to USD 150 million by Indiabulls Housing Finance Limited (“Company” and such issue, the “Issue”).

Dear Sir/Madam,

Further to our letter dated February 22, 2021 intimating you about the meeting of the Securities Issuance Committee (“Committee”) to be held on February 25, 2021 in respect of the Issue, we wish to inform you that the Committee at its meeting held today i.e. February 25, 2021 has, amongst other things, passed the following resolutions:

- a. Approved and adopted the final offering circular dated February 25, 2021.
- b. Approved the subscription agreement to be executed between the Company and the joint lead managers and joint book-runners appointed for the purpose of the Issue.
- c. Approved the price of the U.S. \$150,000,000, 4.50 per cent. Secured Convertible Bonds due 2026 (“FCCBs”) convertible into equity shares of Rs. 2.00 each (“Equity Shares”) in the share capital of the Company, including the (i) issue price for the FCCBs: 100% of the principal amount of the FCCBs and (ii) initial Conversion price of Rs. 242 per fully paid-up Equity Share of the Company; and
- d. Approved and authorised the creation of security, in connection with the Issue.

The meeting of the Committee commenced at 10:00 PM and concluded at 11:00 PM.

Details as required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) read along with SEBI Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 shall be disclosed on the closing date of the Issue.

We request you to take the above on record and the same be treated as compliance under the applicable provisions of the SEBI LODR Regulations, as amended. A communique in this regard sent by the Company to its investors is also enclosed.

Thanking you,

Yours truly,

For **Indiabulls Housing Finance Limited**



Amit Jain

Company Secretary

**CC: Luxembourg Stock Exchange, Luxembourg
Singapore Exchange Securities Trading Limited, Singapore**

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Dear Investor,

I am very happy to inform you that Indiabulls Housing Finance [IBH] has successfully placed and priced ₹ 1,091 crores [USD 150 Mn] of secured Foreign Currency Convertible Bonds [FCCB]. The transaction is IBH's debut convertible bond issuance and received considerable participation from a number of diversified and high-quality investors across Asia and Europe, including existing investors from the Company's USD debt programme. This transaction is the first FCCB by a Financial Institution from India in the last 10 years and the second FCCB by an Indian company since 2020.

This issuance demonstrates IBH's ability to tap a diverse set of global investors across geographies and investor types – IBH has been regularly tapping the equity and debt markets with diverse instruments including equity [QIPs], loans, USD bonds, Masala Bonds and now Convertible Bonds. Convertibles have emerged as alternative source of capital for Asian corporates, having raised USD 40 Bn of capital through convertibles in the last 3 years. With this issuance Indiabulls Housing Finance has one of the most diversified sources of funding among Indian corporates.

In the first half of 2020 when the COVID onslaught was in full swing, IBH's management was obsessively focused on three key aspects: **i.** Building a fortress balance sheet; **ii.** Best in class corporate governance; and **iii.** Evolving a dynamic business model of innovative and profitable, technology-based asset-light housing finance franchise. I am very happy to report to you that we have made considerable progress on each of these factors.

- i. Building a fortress balance sheet:** The Company raised ₹ 2,671 crores through a QIP in September 2020, and partial stake of its investment in the London based OakNorth Bank. Thus, amidst challenging global and domestic macro environment, to-date in FY2020-21, including the FCCB [assuming full conversion of the FCCBs at the option of the investor], IBH has raised the highest amount of equity capital of ~₹ 3,750 crores [USD 515 Mn] amongst our AA rated NBFC/HFC peers.

At a consolidated level, the Company enjoys a strong capital adequacy of 30.5% and Tier 1 ratio of 23.7%, well in excess of the regulatory requirement. The Company's net gearing at 3.3x is also one of the lowest in the housing finance sector. At the end of December 2020, the Company had cash, investments and undrawn credit lines of ₹ 17,105 crores. The Company's ALM is fully matched with significant positive surpluses at the end of each granular period in the near-, mid-, and long-terms.

- ii. Best in class corporate governance:** The Company's board and the overall corporate governance framework has also been further significantly strengthened. In August 2020, Mr. S. S. Mundra ex-Deputy Governor of the Reserve Bank of India, was appointed as the Non-Executive Chairman of the Company. The Company also inducted Mr. Dinabandhu Mohapatra, ex-MD & CEO of Bank of India and Mr. A Siddharth, ex-Partner, Deloitte, Haskins & Sells as Independent Directors onto the Board. Mr. A. Siddharth, who served as a partner with Deloitte, Haskins & Sells for over 3 decades, also heads the audit committee as Chairman. IBH's statutory auditor is E&Y [through their Indian member firm] and Grant Thornton is the internal auditor.



- iii. **Evolving a dynamic business model of innovative and profitable, technology-based asset-light housing finance franchise:** The macros have strongly turned for the residential housing market in India and we are on the cusp of an extended period of growth. We are expanding our reach and are in the process of adding technology-enabled smart branches in up-country locations where we will realize better yields on retail loans, and also diversify our loan book and customer base. We aim to increase our retail customer base 1.5x times by March 2023 and 2x times by Mar 2025. We target to disburse ₹ 1,500 crores of retail loans a month by Sep 2021 and ₹ 2,000 crores of retail loans a month by Mar 2022.

With our co-lending partnerships falling in place, we can now leverage on them to give us balance-sheet light growth and profitability. We will have scaled up to 5 partners from the present 2 by June 2021, we will shortly be making some important announcements on this front. With our current partners we have already achieved meaningful traction, we are scaling up to achieve ₹ 1,500 crores of quarterly disbursements through co-lending by Sep 2021.

As India recovers strongly in the post-COVID era, and after having successfully achieved the goals set for March 2021, I look forward to executing the goals set for FY22.

I thank every one of you for your continued support.

Warm regards,

Gagan Banga
MD and CEO
Indiabulls Housing Finance