

Indiabulls

Indiabulls Housing Finance Limited

Date: September 7, 2016

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Fax No. +91 22 2272 2082
Stock Code – 535789

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
Mumbai – 400051
Fax No. +91 22 26598237
Stock Code – IBULHSGFIN

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

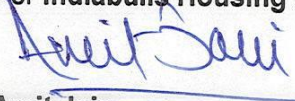
We refer to our letter dated September 7, 2016 in relation to the Subscription Agreement (which includes terms in relation to secured synthetic INR Notes) expected to be signed in connection with such Notes.

In this connection, a copy of press release to be issued by the Company in this regard is enclosed herewith.

We request you to bring the above to the notice of all concerned. Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For Indiabulls Housing Finance Limited


Amit Jain
Company Secretary



Indiabulls Housing Finance Limited

CIN : L65922DL2005PLC136029

152222

Corporate Office: "Indiabulls House" 448-451, Udyog Vihar, Phase-V, Gurgaon - 122016, Telephone No. : 18002007777 (Toll Free) Fax: (0124) 6681111

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110001. Tel.: (011) 30252900, Fax: (011) 30252901

E-mail : homeloans@indiabulls.com, Website: www.financial.indiabulls.com

**Indiabulls Housing Finance Issues Rs. 13.30 Bn of Rupee Denominated
Affordable Housing Masala Bonds**

Mumbai, September 7, 2016 – Indiabulls Housing Finance Ltd. (IBHFL) today successfully priced its first overseas issue of unrated rupee denominated affordable housing masala bonds. Yes Bank, Axis Bank, Merrill Lynch, Nomura, Credit Suisse and Citibank were the joint bookrunners and joint lead managers in the transaction. IBHFL is the second housing finance company (HFC) and the fourth Indian corporate to issue rupee denominated bonds overseas pursuant to applicable Reserve Bank of India guidelines.

Rupee denominated bonds, which are also known as 'Masala Bonds', are instruments through which Indian entities can raise funds by accessing overseas capital markets and the bond investors hold the currency risk. The deal was announced on September 6, 2016 and attracted very high quality demand. The INR 13.30 Bn issue of secured rupee denominated affordable housing masala bonds bears a coupon of 8.57% and has a tenor of 3 years and 1 month. This is a rupee based transaction and there is no foreign exchange exposure for IBHFL. The bonds will be listed on the Singapore Stock Exchange and cannot be traded in the local Indian market. The issue proceeds would be used for IBHFL's housing finance business, particularly housing loans in the affordable housing segment, as well as for general corporate purposes.

IBHFL has the highest AAA credit rating and the affordable housing masala bonds issue adds to an already well diversified funding mix of strong bond issuances and a large portfolio sell down programme, thus increasing avenues of funding other than term loans from banks. The strength of the domestic AAA rating and the quality of the credit enabled IBHFL to attract high quality demand to the affordable housing masala bond despite the issue not having an international rating.

In just over five months of FY 2016-17, IBHFL has issued Rs. 110 Bn of bonds compared with Rs. 99 Bn issued in the whole of FY 2015-16. Bonds are substantially cheaper when compared with bank term loans and represent the most efficient source of funding. The acceleration in the bond programme will enable IBHFL to increase home loans' pace of growth and sustain or even increase margins.

Affordable housing represents a vast, scalable opportunity and IBHFL is focused on housing loans in the affordable housing segment. Demographic factors like accelerating urbanization and a literate, young population fuelling an expanding workforce, build on an already existing urban housing shortage. It is estimated that by 2022 an additional 34 Mn residential units would be needed in urban India. The government has unveiled many measures to meet this key socio-economic requirement under its headline mission of "Housing for all by 2022". A combination of fiscal policies backed up by efforts to direct efficient funding to the housing sector has lent a further fillip to the housing finance sector that was already growing at a CAGR of 19% for the past 5 years. Resultantly, house sales data for the first quarter of FY 2016-17 indicate a strong uptick in housing sales and housing credit off take in the affordable housing segment.