



Corporate Announcement

Date: August 28, 2023

Sub.: Indiabulls Housing Repays ₹ 1,112.5 crores of Bonds

Dear Sir/Madam,

Indiabulls Housing Finance Limited has repaid ₹ 1,112.5 Crs of bonds, which was availed in August 2013.

Debt repayments of the 10-year monies repaid today and the five-year ECBs repaid last week, coincided to make this quarter [Q2FY2023-24] relatively large in terms of debt servicing. As mentioned in our earnings call as well as last week's exchange filing, from here onwards we enter a phase of positive ALM where loan portfolio inflows will exceed debt repayments by ₹ 1,300 Crs to ₹ 1,800 Crs a quarter, all of which will be available for asset growth.

It has been Indiabulls Housing's long-standing policy to maintain adequate liquidity in cash, cash equivalents, and investments to cover near- to mid-term debt repayments. The Company's management has been proactive in its approach to ALM management and has always planned in advance for bunched up repayments of the nature that we had in this quarter. In such instances, where permitted by regulations, we have used the liquidity on the balance sheet to pre-pay or buy back outstanding debt, and where not permitted by regulations, such as in the case of External Commercial Borrowings [ECBs], we have voluntarily created earmarked, trustee-managed FDs in a phased manner, a year in advance of repayment dates, to build towards meeting repayment dues.

In all, since September 2018, the Company has repaid ₹ 1,62,985 crore on gross basis, and ₹ 85,512 crore on net basis. At the end of this quarter our borrowings will be down to about ₹ 36,000 Crs and our net debt to equity will be only 1.8x. It is a testament to the portfolio underwritten by Indiabulls Housing that despite the pandemic and what was a lean phase for the Indian real estate market, the Company was able to run down its book in an orderly manner and proactively manage its ALM.

The Company is now firmly focused on growth. All excess collections over debt repayments and all incremental borrowings will now be available for asset growth. The asset-light model has fully matured, and co-lending relationships with 8 partner banks for each of whom the Company is a strategic relationship contributing significant amount to their total disbursements. Importantly, being asset-light co-lending, the Company need not build large borrowings to support this, and can grow and earn on the entire AUM without building ALM risk.

Kindly take the above information on record.

Thanking you,

Yours truly,

For **Indiabulls Housing Finance Limited**