# UNAUDITED CONSOLIDATED FINANCIAL RESULTS

**FOR THE QUARTER ENDED JUNE 30, 2019**

## PART I – STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS

**FOR THE QUARTER ENDED JUNE 30, 2019**

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Quarter ended</th>
<th>Quarter ended</th>
<th>Quarter ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reviewed</td>
<td>Reviewed</td>
<td>Reviewed</td>
<td>Reviewed</td>
<td>Audited</td>
</tr>
</tbody>
</table>

### 1 Revenue from Operations
- **Interest Income**: 12,734.82
- **Surplus from deployment in Cash Management Schemes of Mutual Funds**: 311.26
- **Dividend Income**: 138.22
- **Rental Income**: 7.59
- **Fees and commission Income**: 541.58
- **Net gain on fair value changes**: 198.94
- **Profit on Sale of Investments**: 16.44
- **Income on derecognised (assigned) loans**: 296.17
- **Income pertaining to Life Insurance Business**: 6,488.84
- **Income pertaining to Non Life Insurance Business**: 2,390.87

**Total Revenue from Operations**: 23,124.73

### 2 Other Income
- **Interest Income**: 12,077.94
- **Surplus from deployment in Cash Management Schemes of Mutual Funds**: 334.39
- **Dividend Income**: 106.52
- **Rental Income**: 40.42
- **Fees and commission Income**: 632.38
- **Net gain on fair value changes**: 2,668.18
- **Profit on Sale of Investments**: 5.90
- **Income on derecognised (assigned) loans**: 66.17
- **Income pertaining to Life Insurance Business**: 10,108.80
- **Income pertaining to Non Life Insurance Business**: 2,611.78

**Total Other Income**: 23,239.82

### 3 Total Income (1+2)
- **Interest Income**: 10,694.16
- **Surplus from deployment in Cash Management Schemes of Mutual Funds**: 180.89
- **Dividend Income**: 137.88
- **Rental Income**: 10.78
- **Fees and commission Income**: 45,827.48
- **Net gain on fair value changes**: 2,221.27
- **Profit on Sale of Investments**: 21.74
- **Income on derecognised (assigned) loans**: 997.71
- **Income pertaining to Life Insurance Business**: 28,658.63
- **Income pertaining to Non Life Insurance Business**: 11,929.22

**Total Expenses**: 19,936.11

### 5 Share of profit of Associates (Equity Method)
- **Interest Income**: 4,579.36
- **Surplus from deployment in Cash Management Schemes of Mutual Funds**: 1,156.58
- **Dividend Income**: 1,342.32
- **Rental Income**: 1,342.32
- **Fees and commission Income**: 2,089.45
- **Net gain on fair value changes**: 1,061.05
- **Profit on Sale of Investments**: 1,061.05
- **Income on derecognised (assigned) loans**: 3,081.94
- **Income pertaining to Life Insurance Business**: 32,777.09
- **Income pertaining to Non Life Insurance Business**: 11,474.85
- **Other Expenses**: 3,112.81

**Total Expenses**: 19,936.11

### 7 Tax Expense
- **Current tax**: 1,156.58
- **Deferred tax**: (116.94)
- **Total Tax expense**: 1,039.64

**Total Tax expense**: 1,039.64

### 8 Net Profit (before adjustment for minority interest) (6-7)
- **Interest Income**: 3,539.72
- **Surplus from deployment in Cash Management Schemes of Mutual Funds**: 4,811.28
- **Dividend Income**: 3,295.33
- **Rental Income**: 17,658.63
- **Fees and commission Income**: 17,580.51
- **Net gain on fair value changes**: 17,580.51
- **Profit on Sale of Investments**: 617.34
- **Income on derecognised (assigned) loans**: 3,112.81
- **Income pertaining to Life Insurance Business**: 17,322.22
- **Income pertaining to Non Life Insurance Business**: 11,474.85

**Total Expenses**: 19,936.11

### 11 Profit Attributable to:
- **Owners of the Corporation**: 3,094.38
- **Non-Controlling Interest**: 445.34
- **Total Comprehensive Income (8+9)**: 4,083.00

### 12 Other Comprehensive Income attributable to:
- **Owners of the Corporation**: 488.21
- **Non-Controlling Interest**: 55.07

### 13 Total Comprehensive Income attributable to:
- **Owners of the Corporation**: 4,083.00
- **Non-Controlling Interest**: 500.40

### Earnings per Share (Face value ₹ 2)
- **Basic**: 17.97
- **Diluted**: 17.86

### Paid-up Equity Share Capital (Face value ₹ 2)
- **Reserves excluding Revaluation Reserves as at March 31**: 1,11,388.85

**Earnings per Share (Face value ₹ 2)**

**Total Comprehensive Income attributable to:**

- **Owners of the Corporation**: 3,582.59
- **Non-Controlling Interest**: 500.40

**Paid-up Equity Share Capital (Face value ₹ 2)**

**Reserves excluding Revaluation Reserves as at March 31**: 1,11,388.85

*Not annualised for the quarters*
Notes:
1. The disclosure in terms of Ind AS 108 dealing with "Operating Segment" as specified under Section 133 of the Companies Act, 2013.

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Quarter ended</th>
<th>Quarter ended</th>
<th>Quarter ended</th>
<th>Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reviewed</td>
<td>Audited</td>
<td>Reviewed</td>
<td>Audited</td>
</tr>
<tr>
<td>Segment Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Loans</td>
<td>13,666.54</td>
<td>11,101.39</td>
<td>10,531.70</td>
<td>44,802.57</td>
</tr>
<tr>
<td>- Life Insurance</td>
<td>8,357.16</td>
<td>14,182.84</td>
<td>7,020.49</td>
<td>38,248.74</td>
</tr>
<tr>
<td>- General Insurance</td>
<td>2,432.76</td>
<td>2,621.88</td>
<td>2,271.49</td>
<td>12,094.72</td>
</tr>
<tr>
<td>- Asset Management</td>
<td>592.25</td>
<td>589.69</td>
<td>536.04</td>
<td>2,254.72</td>
</tr>
<tr>
<td>- Others</td>
<td>122.38</td>
<td>148.20</td>
<td>302.59</td>
<td>687.93</td>
</tr>
<tr>
<td>Total Segment Revenues</td>
<td>25,201.09</td>
<td>28,644.00</td>
<td>20,662.31</td>
<td>90,086.68</td>
</tr>
<tr>
<td>Add / (Less) : Unallocated</td>
<td>2.16</td>
<td>(4.56)</td>
<td>1.21</td>
<td>0.17</td>
</tr>
<tr>
<td>Less: Inter-segment Adjustments</td>
<td>(1,963.43)</td>
<td>178.19</td>
<td>(890.09)</td>
<td>(1,893.98)</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>23,239.82</td>
<td>28,817.63</td>
<td>19,773.43</td>
<td>96,194.87</td>
</tr>
</tbody>
</table>

Segment Results
- Loans | 4,179.38 | 2,706.94 | 3,256.91 | 12,685.20 |
- Life Insurance | 443.05 | 520.75 | 416.82 | 1,495.00 |
- General Insurance | 116.85 | 37.05 | 100.11 | 421.64 |
- Asset Management | 443.74 | 422.43 | 308.40 | 1,396.22 |
- Others | (7.59) | 22.26 | 195.01 | 219.89 |
| Total Segment Results | 5,175.43 | 3,708.43 | 4,277.25 | 16,217.95 |

Add / (Less) : Unallocated | 0.15 |
Add: Share of Profit from Associates accounted under Equity method | 1,275.65 | 2,089.45 | 901.81 | 7,389.82 |
Less: Inter-segment Adjustments | (1,873.88) | 311.37 | (821.71) | (1,508.96) |

Profit before Tax | 4,579.36 | 6,105.69 | 4,358.56 | 22,089.96 |

Segment Assets
- Loans | 4,74,85.60 | 4,61,21.86 | 4,21,913.45 | 4,61,218.46 |
- Life Insurance | 1,37,267.38 | 1,32,902.91 | 1,13,495.76 | 1,32,902.91 |
- General Insurance | 14,999.24 | 14,029.66 | 12,837.42 | 14,029.66 |
- Asset Management | 4,478.48 | 4,095.57 | 3,628.60 | 4,095.57 |
- Others | 622.78 | 554.77 | 665.85 | 554.77 |
| Total Segment Assets | 6,31,853.48 | 6,12,801.37 | 5,52,541.08 | 6,12,801.37 |

Unallocated
- Banking | 45,442.10 | 43,874.69 | 28,162.41 | 43,874.69 |
- Others | 4,503.08 | 4,199.06 | 4,506.08 | 4,199.06 |
| Total Assets | 6,81,798.66 | 6,60,875.12 | 5,85,659.57 | 6,60,875.12 |

Segment Liabilities
- Loans | 4,11,899.64 | 4,02,742.63 | 3,64,593.03 | 4,02,742.63 |
- Life Insurance | 1,31,350.40 | 1,27,488.36 | 1,08,693.83 | 1,27,488.36 |
- General Insurance | 12,671.54 | 12,108.55 | 10,962.56 | 12,108.55 |
- Asset Management | 241.64 | 167.34 | 185.54 | 167.34 |
- Others | 132.52 | 87.27 | 59.11 | 87.27 |
| Total Segment Liabilities | 5,56,295.74 | 5,42,594.15 | 4,84,440.07 | 5,42,594.15 |

Unallocated
- Banking | - | - | - | - |
- Others | 844.04 | 302.45 | 779.89 | 302.45 |
| Total Liabilities | 5,57,139.78 | 5,42,896.60 | 4,83,219.96 | 5,42,896.60 |

Capital Employed
- Loans | 62,585.96 | 58,475.83 | 57,374.42 | 58,475.83 |
- Life Insurance | 5,916.98 | 5,414.55 | 4,801.93 | 5,414.55 |
- General Insurance | 2,327.70 | 1,921.11 | 1,874.86 | 1,921.11 |
- Asset Management | 4,236.84 | 3,928.23 | 3,443.05 | 3,928.23 |
- Others | 122.38 | 592.25 | 687.93 | 592.25 |
| Total Segment Capital Employed | 75,557.74 | 70,207.22 | 68,101.01 | 70,207.22 |

Unallocated
- Banking | 45,442.10 | 43,874.69 | 28,162.41 | 43,874.69 |
- Others | 3,659.04 | 3,896.61 | 3,726.19 | 3,896.61 |
| Total Capital Employed | 1,24,658.88 | 1,17,978.52 | 1,00,439.61 | 1,17,978.52 |

a) The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker in deciding how to allocate resources and in assessing performance.
b) Loans segment mainly comprises of Group's financing activities for housing and also includes financing of commercial real estate and others through the Corporation and its subsidiaries GRUH Finance Limited and HDFC Credila Financial Services Private Limited.
c) Asset Management segment includes portfolio management, mutual fund and property investment management.
d) Others include project management and investment consultancy.
e) The Group does not have any material operations outside India and hence disclosure of geographic segments is not given.
2 The key data relating to standalone results of Housing Development Finance Corporation Limited is as under:

<table>
<thead>
<tr>
<th>PARTICULARS</th>
<th>Quarter ended Year ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>₹12,996.11 ₹11,586.58 ₹9,951.98 ₹43,378.01</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>₹3,985.11 ₹3,690.89 ₹3,070.00 ₹13,118.77</td>
</tr>
<tr>
<td>Tax Expense</td>
<td>₹782.01 ₹829.31 ₹880.00 ₹3,486.31</td>
</tr>
<tr>
<td>Net Profit After Tax</td>
<td>₹3,203.10 ₹2,861.58 ₹2,190.00 ₹9,632.46</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>₹261.98 (38.69) (29.17) (131.53)</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>₹3,465.08 ₹2,822.89 ₹2,160.83 ₹9,500.93</td>
</tr>
<tr>
<td>Earnings per Share (₹)*</td>
<td>Basic 18.60 16.68 12.96 56.53</td>
</tr>
<tr>
<td></td>
<td>Diluted 18.48 16.57 12.83 56.08</td>
</tr>
<tr>
<td>Equity Share Capital</td>
<td>₹345.06 ₹344.29 ₹336.73 ₹344.29</td>
</tr>
<tr>
<td>Reserves excluding Revaluation</td>
<td>₹77,011.18</td>
</tr>
<tr>
<td>Reserves as at March 31</td>
<td></td>
</tr>
</tbody>
</table>

* Not annualised for the quarters

3 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

4 Effective April 1, 2019 the Group has adopted Ind AS 116 - Leases, which requires any lease arrangement to be recognised in the balance sheet of the lessee as a ‘right-of-use’ asset with a corresponding lease liability. Accordingly depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly interest expense has been recognised on lease liabilities under finance costs. As permitted by the standard, the Group has applied this standard w.e.f. April 1, 2019 and comparatives for the previous period / year have not been restated. The effect of this adoption is insignificant on the profit for the period.

5 The proposed merger of GRUH Finance Limited (“GRUH”) with Bandhan Bank Limited (“Bandhan”) has been approved by Competition Commission of India, National Housing Bank, Reserve Bank of India (RBI), stock exchanges, the Shareholders and Creditors of GRUH and also the Shareholders of Bandhan. The merger is subject to approval by National Company Law Tribunal, Ahmedabad and Kolkata benches.

In view of the directive by RBI to the Corporation to acquire and hold not more than 9.9% of the share capital of Bandhan post merger, during the quarter ended June 30, 2019, 6,35,86,774 equity shares of ₹2 each of GRUH were sold resulting in adjusted gain of ₹1,740.41 crore in consolidated accounts. This gain has been recognised in Other Equity in accordance with Ind AS 110 - Consolidated Financial Statements. GRUH continues to be a subsidiary for accounting purposes under Ind AS 24 - Related Party Disclosures and Ind AS 110 - Consolidated Financial Statements.

6 During the quarter ended June 30, 2019, the Corporation has entered into agreements for acquiring upto 51.2% of the equity share capital of Apollo Munich Health Insurance Company Limited, subject to regulatory approvals from National Housing Bank, Insurance Regulatory and Development Authority of India and Competition Commission of India and/or such other approval from other governmental authorities.

7 During the quarter ended June 30, 2019, the Corporation has allotted 38,68,847 equity shares of ₹2 each pursuant to exercise of stock options by certain employees/ directors.

8 Figures for the quarter ended March 31, 2019 are derived by deducting the reviewed year to date figures for the period ended December 31, 2018 from the audited figures for the year ended March 31, 2019.

9 Figures for the previous period have been regrouped wherever necessary, in order to make them comparable.

The above results for the quarter ended June 30, 2019, which have been subjected to a Limited Review by the Auditors of the Corporation, were reviewed by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on August 2, 2019, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

Place: Mumbai                                      Keki M. Mistry
Date: August 2, 2019                                Vice Chairman & CEO

Housing Development Finance Corporation Limited