

National Housing Bank

January 14, 2021

Ratings

Facilities/Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Non- Convertible Debentures	0.00	-	Withdrawn

**Details in Annexure I*

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE AAA; Stable' (Triple A; Outlook: Stable) assigned to the Non- Convertible Debentures of National Housing Bank with immediate effect. The above action has been taken at the request of National Housing Bank and 'No Dues Certificate' received from the debenture trustee for the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

National Housing Bank was established on July 9, 1988, under the NHB Act, 1987 of the Parliament, As an apex institution in the housing segment, NHB is chartered to function as a principal agency to promote Housing Finance Institutions (HFCs) and also to provide financial and other support to such institutions. NHB is notified as a Public Financial Institution (PFI) under section 4A of the Companies Act, 1956 and was wholly owned subsidiary of Reserve Bank of India (RBI), however following the announcement of Gol in Union Budget 2018, RBI divested its entire stake to Gol and Gol now holds 100% stake in NHB. NHB provide refinance support to schedule commercial banks (SCBs), housing finance companies (HFCs), regional rural banks and other development cooperative societies & development banks in housing finance sectors. During FY20 (refers to the period July 01, 2018 to June 30, 2019), NHB has reported a PAT of Rs.196 crore on a total income of Rs.5,025 crore and gross loan portfolio stood at Rs. 83,628 crores as on June 30, 2020

Brief Financials (Rs. Crores)	FY19 (A)	FY20 (A)
Total income	5,276	5,025
PAT	733	196
Total assets	75,597	90,160
CAR (%)	16.01	12.74
Net NPA (%)	Nil	0.76%
ROTA (%)	1.06	0.24

A: Audited

Note: Ratios are computed based on average of annual opening and closing balances

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹ Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures	November 28, 2018	7.65% -8.14%	March 24, 2023	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Borrowings-Market Borrowing Programme	LT	5245.00	CARE AAA; Stable	1)CARE AAA; Stable (11-Dec-20)	1)CARE AAA; Stable (06-Jan-20)	1)CARE AAA; Stable (29-Nov-18)	1)CARE AAA; Stable (15-Mar-18)
2.	NHB deposits	LT	12000.00	CARE AAA; Stable	1)CARE AAA; Stable (11-Dec-20)	1)CARE AAA; Stable (06-Jan-20)	1)CARE AAA; Stable (29-Nov-18)	1)CARE AAA; Stable (15-Mar-18)
3.	NHB deposits	LT	12000.00	CARE AAA; Stable	1)CARE AAA; Stable (11-Dec-20)	1)CARE AAA; Stable (06-Jan-20)	1)CARE AAA; Stable (29-Nov-18)	1)CARE AAA; Stable (15-Mar-18)
4.	Debentures-Non Convertible Debentures	LT	-	-	1)CARE AAA; Stable (11-Dec-20)	1)CARE AAA; Stable (06-Jan-20)	1)CARE AAA; Stable (29-Nov-18)	-

Annexure-3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Debentures-Non Convertible Debentures	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no: +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Group Head Name – Mr. Gaurav Dixit

Group Head Contact no.-011-45333235

Group Head Email ID- gaurav.dixit@careratings.com

Relationship Contact

Name: Ms. Swati Agrawal

Contact no: +91-11-4533 3200 / +91-98117 45677

Email ID: swati.agrawal@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**