Indiabulls Housing Finance Limited (Revised)
March 30, 2021

Ratings

Instruments / Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Non-Convertible Debentures	14,307.30* (Rs. Fourteen Thousand Three Hundred and Seven Crore and Thirty Lakhs) (Reduced from 17,040.30)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Perpetual Debt	200 (Rs. Two Hundred Crore)	**CARE AA-; Negative [Double A Minus; Outlook: Negative**	Reaffirmed
Subordinate Debt	3,122 (Rs. Three Thousand One Hundred Twenty-Two Crore)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Public Issue of Non-Convertible Debentures	6,141.64 (Rs. Six Thousand One Hundred Forty-One Crore and Sixty-Four Lakhs)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Public Issue of Subordinate Debt	198.86 (Rs. One Hundred Ninety-Eight Crore and Eighty-Six Lakhs)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Commercial Paper	3,000 (Rs. Three Thousand Crore)	**CARE A1+ [A One Plus]**	Reaffirmed
Long term Bank Facilities	49,800 (Rs. Forty-Nine Thousand and Eight Hundred Crore)	**CARE AA; Negative [Double A; Outlook: Negative]**	Reaffirmed
Short term Bank Facilities		**CARE A1+ (A One Plus)**	

Details of instruments/facilities in Annexure-1
** CARE has reduced the rated amount for NCD's on account of redemption*

Detailed Rationale & Key Rating Drivers

The ratings continue to factor in its established track record as one of the large HFCs, experienced management, strong capitalisation levels, and strong liquidity profile of the company. The ratings are constrained on account of continued challenges faced by the company in raising debt funds from the market resulting in reduction in diversification in its resources profile, weakening asset quality and lower business growth, which has resulted in degrowth in the loan book size. While, IBHFL has seen some improvement in resource raising, and has raised incremental funds by way of NCDs, bank lines, securitization, QIP and recently through FCCBs, a very significant proportion of such funding continues to come from the banking system. The financial flexibility remains constrained as the yields in the secondary market continue to remain at elevated levels. Ability of IBHFL to diversify its resource profile will remain a key monitorable

Disbursement during FY20 and FY21 has reduced significantly, which along with large securitisation and loan sell downs, has resulted in a sharp fall in on Balance Sheet loan book from Rs.92,298 crore as on March 31, 2019 to Rs.73,064 crore as on March 31, 2020 and further to Rs.70,282 crore as on December 31, 2020.

Also, the company has exposure to developer finance book, where the asset quality has been deteriorating and which is still facing headwinds and adverse economic environment.

Rating Sensitivities

Factors that could lead to positive rating action/upgrade

- Improvement in resource raising ability from diversified sources on a steady state basis to pre-September 2018 levels.
- Significant improvement in asset quality parameters

Factors that could lead to negative rating action/downgrade

- Deterioration in asset quality parameters with Gross NPA ratio of above 3%
- Persistent challenges in resource raising ability from diversified sources

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

- Significant impact on profitability on account of scale down of business / change in business model and/or due to change in operating environment
- Deterioration in liquidity position with diminishing coverage of liquid assets to next one year debt servicing below 60%

Outlook: Negative

Outlook continues to remain 'Negative' on account of continued reduction in the financial flexibility with reduction in diversification of resource profile on account of continued higher secondary bond market spreads, fall in market capitalization and the shift in the business model, which is yet to be scaled up significantly. The outlook would be revised to 'Stable' if the company is able to maintain the asset quality and the profitability at the earlier levels and is able to scale up the business in the new asset light business model in a profitable manner.

Detailed description of the key rating drivers

Key Strengths

Established track record as one of the large HFCs and experienced management

IBHFL has a track record of over two decades and is one of the large HFCs in India with AUM of Rs.86,566 crore as on December 31, 2020. The company has witnessed a board-level change as Mr Sameer Gehlaut has been replaced by Mr. SS Mundra, former deputy governor of Reserve Bank of India as the Non-Executive Chairman of the company. Mr. Gehlaut will continue to remain as founder and non-executive director. Mr. Mundra has held various level positions in public sector banks, including Chairman and Managing Director of Bank of Baroda, Executive Director of Union Bank of India and Chief Executive of Bank of Baroda (European Operations), amongst others. The operations would continue to be headed by Mr. Gagan Banga, (Vice-Chairman and Managing Director). The company has a team of senior management people with strong relevant experience and successful track record in their respective fields.

Comfortable capitalization levels

IBHFL has been maintaining comfortable capitalization levels and reported tangible net worth of Rs.15,073 crore (consolidated) as on March 31, 2020. The company had moderate overall gearing level of 5.04 times (P.Y.: 6.45 times) as on March 31, 2020. The company reported Capital Adequacy Ratio (CAR) (under Ind AS) of 27.09% (P.Y.:26.49%) with Tier I CAR: 20.31% (P.Y.: 19.81%) as on March 31, 2020. As on December 31, 2020, the company reported tangible net worth of Rs.15,405 crore and CAR of 30.49% with overall gearing of 4.25 times. Net debt to tangible net worth as on December 31, 2020 stood at 3.3x. The company has raised money through QIP and stake sale in Oak-North which had improved the overall capitalization and gearing in 9MFY21.

Strong liquidity profile

IBHFL has been focusing on maintaining comfortable liquidity profile and has significantly reduced reliance on borrowing through Commercial Paper (CP) and is keeping adequate liquidity buffers. The asset liability maturity (ALM) profile as on September 30, 2020 was comfortable with no negative mismatch in all bucket. As on December 31, 2020, IBHFL had debt outflows of Rs.18,912 crore for the next 12 months and against the same, the company has liquid cash and equivalents of Rs. 12,954 crore. IBHFL also has unutilized committed lines worth around Rs.4,151 crore as on December 31, 2020.While the liquidity buffer maintained by IBHFL has reduced from around 12 months of debt repayment coverage, it still remains comfortable. IBHFL's policy, to have 15-20% of its loan assets in cash & cash equivalent along with unutilized bank lines, helps it in better liquidity management and to manage tighter liquidity scenarios.

Key Weaknesses

Challenges in resource mobilization with decline in financial flexibility

In the recent times, the increased risk averseness in the market towards the NBFC / HFC sector has continued posing challenges in resource mobilization. IBHFL continues to face challenges in raising funds through capital market along with high yields on its instruments in the secondary market. A significant majority of the funding source for the company remains Banking system. The company has raised funds mainly from public sector banks by way of bank lines, NCDs and sell downs. The company has demonstrated some improvement in financial flexibility after the recent placement of QIP, stake sale of Oak North Holdings and raising funds through FCCB.

The company has managed to raise debt capital of Rs.25,448 crore in 10MFY21 (Bank lines Rs.15,456 crore, NCD Rs.2780 crore and sell down Rs.7,212 crore). However, the funding sources remain concentrated within PSU Banks.

Weakening asset quality

IBHFL's asset quality weakened in FY20 as it reported Gross NPA ratio of 1.84% (P.Y.: 0.88%) and Net NPA ratios on AUM basis of and 1.24% (P.Y.: 0.69%) respectively as on March 31, 2020. During FY20, the company has witnessed higher slippages in the commercial credit loan portfolio, which has loans of larger ticket size, compared to slippages in retail home loan and loan against property (LAP) portfolio. Gross NPA of Corporate loans (Commercial credit book) increased to 6.32% as on March 31, 2020 as against 3.01% as on March 31, 2019. The retail portfolio (mortgage) has relatively shown better asset quality with Gross NPA ratio at 1.07% as on March 31, 2020 as against 0.35% as on March 31, 2019.
As on December 31, 2020, the company reported GNPA and NNPA ratio of 1.75% and 0.77% down from 1.98% and 1.46%, respectively in previous quarter on AUM basis partly due to the Supreme Court dispensation. Without taking into account the Supreme Court dispensation, the GNPA as on December 31, 2020 would have been 2.44% and NNPA would have been 1.46%.

Moderation in financial risk profile

IBHFL had seen AUM growth at a CAGR of 23% from Rs.52,235 crore as on March 31, 2015 to Rs.1,20,525 crore as on March 31, 2019. However, since September 2018, with the constrained market liquidity, IBHFL focused on maintaining adequate liquidity, reduced disbursements and reducing exposure to commercial real estate portfolio and the AUM stood at Rs.93,021 crore as on March 31, 2020. The loan book size stood at Rs.73,064 crore as on March 31, 2020, down 21% y-o-y. IBHFL reported Profit after Tax (PAT) of Rs.2,200 crore on total income of Rs.13,223 in FY20 [refers to period from April 01 to March 31] as against PAT of Rs.4,091 crore on total income of Rs.17,027 crore in FY19 with Return on Total Assets (ROTA) of 1.89% as against 3.12%.
During FY21, the company saw reduced level of disbursements. As on December 31, 2020, the loan book size stood at Rs.70,282 crore, with a decline of around 3.45% over Q2FY21. IBHFL reported PAT of Rs.925 crore on total income of Rs.7,635 in 9MFY21 with ROTA of 1.27% on account of increased cost of borrowing and decreasing yields, as compared to PAT of Rs.2,063 crore on total income of Rs.10,393 crore and ROTA of 2.34% in 9MFY20.

Exposure to relatively riskier business segments like corporate mortgage loans (mainly real estate loans); although decreasing

IBHFL has significant exposure to Corporate Mortgage Loans which majorly consists of Construction Finance and Lease Rental Discounts which constitutes ~15% of total AUM as on March 31, 2020 as against 16.9% as on March 31, 2019 and further reduced to ~13% as on December 31, 2020. The exposure is reducing in line with IBHFL's plans to reduce the corporate loan book.
However, this segment continues to face headwinds due to adverse economic environment and the asset quality in this segment remains one of the key rating monitorable along with overall asset quality of the company.

Developments on the new business model to be monitored

While the company has been able to establish itself as a large Housing finance company in last two decades on the back of large on balance-sheet lending growth, the company's plan to move to asset light model, which will depend on co-origination and securitization. The company has been able to develop a franchise and distribution business for lending in past and its execution under the new business model needs to be monitored.
The company is in a transition phase with change in its business model to be asset light. The company would shift to a business model wherein it will focus on retail portfolio and majority of the assets under management (AUM) would be off-balance sheet with higher proportion of portfolio being built through co-origination and securitization tie-ups with banks. IBHFL's execution on this front on a large scale needs to be seen. Further, the company plans to significantly run-down its commercial real estate portfolio over the next few years.

Analytical Approach: CARE has analyzed IBHFL's credit profile by considering the consolidated financial statements of IBHFL owing to financial and operational linkages between the parent and its subsidiaries and common management. List of entities considered for consolidated analysis are mentioned in Annexure 3.

Liquidity Profile: Strong

As on September 30, 2020, IBHFL's ALM showed no negative mismatch in all the time buckets. The company had a policy on maintaining liquidity of at least one year debt repayments but the cover has reduced as part of management strategy looking at high negative carry. As on December 31, 2020, IBHFL maintained pro-forma cash and liquid investments of ~Rs.12,954 crore in the form of Mutual Fund, Certificate of Deposits / Bank Bonds, Bank balances & Fixed Deposits and other liquid investments as against next one- year scheduled repayments of ~Rs.18,912, providing adequate cover. IBHFL also has unutilized committed lines worth around Rs.4,151 crore as on December 31, 2020.

Applicable Criteria:

Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's Policy on Default Recognition
CARE's criteria for Housing Finance Companies
Financial ratios – Financial sector
Criteria for Short term Instruments
Factoring linkages in ratings

About the Company

IBHFL is registered with National Housing Board (NHB) and is engaged in the business of mortgage finance (home loans, loan against property and lease rental discounting), and corporate mortgage loans. IBHFL's portfolio consists of mortgage finance (housing loan and LAP) (85% of consolidated AUM of Rs.93,021 crore as on March 31, 2020) and corporate mortgage loans (15% of AUM) which is lease rental discounting and residential construction finance. Mr. S.S. Mundra is the new Chairman and Non-Executive Director and is supported by Mr. Gagan Banga, CEO, Vice Chairman and Managing Director and the rest of the team.

Brief Financials (Consolidated) (Rs. crore)	**FY19 (A)**	**FY20 (A)**
	Ind AS	**Ind AS**
Total income	17,027	13,223
PAT	4,091	2,200
Asset under management (AUM)	1,20,525	93,021
Total Assets [net of intangibles]	1,29,910	1,02,408
Net NPA (%) [on AUM basis]	0.69	1.24
ROTA (%)	3.12	1.89

A; Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Entities considered for Consolidation: Annexure 3

Covenants of rated instrument / facility: *Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-4*

Complexity level of various instruments rated for this company: Annexure 5

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	ISIN	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with rating outlook
Debentures - Non-convertibles Debentures	12-Apr-16	INE148I07EK0	9.10%	12-Apr-21	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	10-May-16	INE148I07EN4	9.10%	10-May-21	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	23-May-16	INE148I07EP9	9.10%	21-May-21	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	01-Jun-16	INE148I07EU9	9.00%	29-May-21	10.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	07-Jun-16	INE148I07EV7	9.00%	07-Jun-21	15.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	11-Aug-16	INE148I07FS0	8.80%	11-Aug-21	10.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	07-Sep-11	INE894F07360	10.65%	07-Sep-21	500.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	22-Nov-11	INE148I07076	10.70%	22-Nov-21	100.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	12-Jun-20	INE148I07JV6	9.00%	10-Dec-21	200.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	25-Jun-20	INE148I07JW4	9.00%	24-Dec-21	325.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-Jun-20	INE148I07JX2	9.00%	30-Dec-21	250.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	31-Dec-18	INE148I07JN3	9.08%	31-Dec-21	500.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	03-Jul-20	INE148I07JY0	9.00%	03-Jan-22	150.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	27-Feb-12	INE894F07519	10.15%	27-Feb-22	500.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	21-Mar-17	INE148I07GW0	8.82%	21-Mar-22	600.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	22-Mar-17	INE148I07GX8	8.82%	22-Mar-22	160.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-Sep-20	INE148I07JZ7	9.00%	29-Mar-22	625.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-Mar-17	INE148I07HC0	8.82%	30-Mar-22	350.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	03-Apr-12	INE148I07100	10.75%	03-Apr-22	125.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	06-Apr-17	INE148I07HF3	8.82%	06-Apr-22	1,000.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	28-Jun-12	INE894F07550	10.70%	28-Jun-22	800.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	06-Jul-12	INE894F07543	10.70%	06-Jul-22	20.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	25-Jul-17	INE148I07HV0	7.82%	25-Jul-22	100.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	06-Nov-12	INE148I07142	10.00%	06-Nov-22	15.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	07-Nov-17	INE148I07IC8	7.77%	07-Nov-22	290.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	19-Nov-12	INE148I07159	10.00%	19-Nov-22	15.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	20-Nov-15	INE148I07DK2	9.10%	20-Nov-22	10.00	CARE AA; Negative

Name of the Instrument	Date of Issuance	ISIN	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with rating outlook
Debentures - Non-convertibles Debentures	18-Dec-12	INE148I07183	10.00%	18-Dec-22	15.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	31-Dec-12	INE148I07191	10.00%	31-Dec-22	35.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	31-Dec-12	INE894F07667	10.00%	31-Dec-22	15.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	16-Jan-13	INE894F07717	10.20%	16-Jan-23	35.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	26-Feb-13	INE148I07209	10.00%	26-Feb-23	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	19-Mar-13	INE148I07241	10.00%	19-Mar-23	100.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	25-Mar-13	INE148I07266	10.00%	25-Mar-23	5.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	29-Aug-13	INE148I07357	11.00%	29-Aug-23	1,000.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	08-Oct-13	INE148I07373	10.25%	08-Oct-23	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	21-Nov-13	INE148I07381	10.55%	21-Nov-23	400.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	24-Dec-13	INE148I07415	10.20%	24-Dec-23	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	05-Jun-14	INE148I07639	10.15%	05-Jun-24	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-Jun-14	INE148I07746	10.15%	30-Jun-24	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	16-Dec-14	INE148I07AV5	9.20%	16-Dec-24	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	31-Dec-14	INE148I07BA7	9.20%	31-Dec-24	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	19-May-15	INE148I07BV3	9.00%	19-May-25	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	26-Jun-15	INE148I07CN8	9.50%	26-Jun-25	1,000.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	20-Nov-15	INE148I07DL0	9.00%	20-Nov-25	170.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-Dec-15	INE148I07DN6	9.00%	30-Dec-25	95.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	31-Dec-15	INE148I07DO4	9.00%	31-Dec-25	10.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	08-Feb-16	INE148I07DV9	9.00%	07-Feb-26	50.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	14-Mar-16	INE148I07EA1	9.00%	13-Mar-26	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	12-Apr-16	INE148I07EL8	9.10%	11-Apr-26	35.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	29-Apr-16	INE148I07EM6	9.00%	29-Apr-26	207.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	10-May-16	INE148I07EO2	9.10%	08-May-26	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	30-May-16	INE148I07ES3	9.10%	29-May-26	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	07-Jun-16	INE148I07EW5	9.00%	05-Jun-26	25.00	CARE AA; Negative

Name of the Instrument	Date of Issuance	ISIN	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with rating outlook
Debentures - Non-convertibles Debentures	30-Jun-16	INE148I07FG5	9.00%	30-Jun-26	200.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	22-Jul-16	INE148I07FJ9	8.90%	22-Jul-26	25.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	08-Sep-17	INE148I07HX6	8.03%	08-Sep-27	1,450.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	15-Jan-19	INE148I07JQ6	9.10%	15-Jan-29	700.00	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GE8	8.75%	26-Sep-21	3,389.63	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GF5	8.90%	26-Sep-21	1,311.23	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GH1	ZCB	26-Sep-21	7.44	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GJ7	8.65%	26-Sep-26	13.69	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GK5	8.85%	26-Sep-26	990.76	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GL3	9.00%	26-Sep-26	404.50	CARE AA; Negative
Debentures- Public issue of Non-Convertible Debentures	26-Sep-16	INE148I07GN9	ZCB	26-Sep-26	24.34	CARE AA; Negative
Debentures - Non-convertibles Debentures (Proposed)	-	-	-	-	1,715.30	CARE AA; Negative
Debentures – Public Issue of Non-convertibles Debentures (Proposed)	-	-	-	-	0.05	CARE AA; Negative
Debt-Subordinate Debt	09-Oct-12	INE148I08025	10.30%	09-Oct-22	35.00	CARE AA; Negative
Debt-Subordinate Debt	22-Oct-12	INE148I08033	10.30%	22-Oct-22	40.00	CARE AA; Negative
Debt-Subordinate Debt	31-Oct-12	INE148I08041	10.30%	31-Oct-22	25.00	CARE AA; Negative
Debt-Subordinate Debt	04-Dec-12	INE148I08058	10.20%	04-Dec-22	20.00	CARE AA; Negative
Debt-Subordinate Debt	14-Jan-13	INE148I08066	10.10%	14-Jan-23	25.00	CARE AA; Negative
Debt-Subordinate Debt	30-Jan-13	INE148I08074	10.65%	30-Jan-23	10.00	CARE AA; Negative
Debt-Subordinate Debt	18-Feb-13	INE148I08082	10.10%	18-Feb-23	25.00	CARE AA; Negative
Debt-Subordinate Debt	06-Mar-13	INE148I08090	10.10%	06-Mar-23	20.00	CARE AA; Negative
Debt-Subordinate Debt	28-Mar-13	INE148I08108	10.10%	28-Mar-23	25.00	CARE AA; Negative
Debt-Subordinate Debt	23-May-13	INE148I08116	9.80%	23-May-23	20.00	CARE AA; Negative
Debt-Subordinate Debt	03-Jun-13	INE148I08124	9.90%	03-Jun-23	125.00	CARE AA; Negative
Debt-Subordinate Debt	23-Sep-13	INE148I08132	10.10%	23-Sep-23	25.00	CARE AA; Negative
Debt-Subordinate Debt	27-Sep-13	INE148I08140	10.85%	27-Sep-23	25.00	CARE AA; Negative
Debt-Subordinate Debt	24-Oct-13	INE148I08157	10.85%	24-Oct-23	5.00	CARE AA; Negative

Name of the Instrument	Date of Issuance	ISIN	Coupon Rate	Maturity Date	Size of the Issue	Rating assigned along with rating outlook
Debt-Subordinate Debt	23-Dec-13	INE148I08165	10.80%	23-Dec-23	20.00	CARE AA; Negative
Debt-Subordinate Debt	17-Jul-14	INE148I08173	10.85%	17-Jul-24	10.00	CARE AA; Negative
Debt-Subordinate Debt	17-Mar-15	INE148I08181	9.70%	17-Mar-25	5.00	CARE AA; Negative
Debt-Subordinate Debt	21-Jul-15	INE148I08199	10.10%	21-Jul-25	8.15	CARE AA; Negative
Debt-Subordinate Debt	03-Aug-15	INE148I08207	10.00%	03-Aug-25	165.00	CARE AA; Negative
Debt-Subordinate Debt	29-Jun-16	INE148I08215	9.30%	29-Jun-26	609.70	CARE AA; Negative
Debt-Subordinate Debt	08-Sep-17	INE148I08280	8.35%	06-Sep-24	100.00	CARE AA; Negative
Debt-Subordinate Debt	08-Sep-17	INE148I08298	8.35%	08-Sep-27	900.00	CARE AA; Negative
Debt-Subordinate Debt	31-Jan-12	INE894F08038	11.85%	31-Jan-22	36.20	CARE AA; Negative
Debt-Subordinate Debt	22-Feb-12	INE894F08053	11.85%	22-Feb-22	20.00	CARE AA; Negative
Debt-Subordinate Debt	30-Mar-12	INE894F08061	11.00%	30-Mar-22	15.00	CARE AA; Negative
Debt-Subordinate Debt	05-Jun-12	INE894F08079	10.65%	05-Jun-22	15.00	CARE AA; Negative
Debt-Subordinate Debt	05-Jun-12	INE894F08087	10.65%	05-Jun-27	110.03	CARE AA; Negative
Debt-Subordinate Debt	28-Jun-12	INE894F08103	10.25%	28-Jun-27	100.00	CARE AA; Negative
Debt-Subordinate Debt	30-Jun-12	INE894F08111	10.65%	30-Jun-27	49.65	CARE AA; Negative
Debt-Subordinate Debt	15-Nov-12	INE894F08129	10.65%	15-Nov-22	1.10	CARE AA; Negative
Debt-Subordinate Debt	15-Nov-12	INE894F08137	10.65%	15-Nov-27	32.60	CARE AA; Negative
Debt-Public issue of Subordinate Debt	26-Sep-16	INE148I08231	9.15%	26-Sep-26	2.42	CARE AA; Negative
Debt-Public issue of Subordinate Debt	26-Sep-16	INE148I08249	9.00%	26-Sep-26	0.15	CARE AA; Negative
Debt-Public issue of Subordinate Debt	26-Sep-16	INE148I08256	9.15%	26-Sep-26	195.35	CARE AA; Negative
Debt-Public issue of Subordinate Debt-ZCB	26-Sep-16	INE148I08272	0.00%	26-Sep-26	0.95	CARE AA; Negative
Debt-Subordinate Debt (Proposed)	-	-	-	-	499.57	CARE AA; Negative
Debt-Perpetual Debt	28-Jun-12	INE894F08095	10.60%	Perpetual	100.00	CARE AA-; Negative
Debt-Perpetual Debt (Proposed)	-	-	-	-	100.00	CARE AA-; Negative
Bank Facilities-Fund Based - LT/ ST-Term loan	-	-	-	30-Sep-29	49,800.00	CARE AA; Negative / CARE A1+
Commercial Paper	-	-	-	7 Days to 1 year	3,000.00	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Rated (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.	Debentures-Non Convertible Debentures	LT	14,307.3 (reduced from 17,040.3)	CARE AA; Outlook: Negative	1) CARE AA; Negative (22-Jun-20) 2) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications) (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications) (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (17-Jul-17)
2.	Debt-Subordinate Debt	LT	3,122.00	CARE AA; Outlook: Negative	1) CARE AA; Negative (22-Jun-20) 2) CARE AA; Negative (08-May-20)	1) CARE AA+; Negative (18-Oct-19) 2) CARE AA+ (Credit Watch with developing implications) (24-Sep-19) 2) CARE AAA (Credit Watch with developing implications) (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (17-Jul-17)
3.	Debt-Perpetual Debt	LT	200.00	CARE AA-; Outlook: Negative	1) CARE AA-; Negative (08-May-20)	1) CARE AA-; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications) (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications) (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AA+; Stable (17-Jul-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Rated (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
4.	Fund-based - LT/ ST-Term loan	LT/ST	49,800.00	CARE AA; Outlook: Negative / CARE A1+	1) CARE AA; Negative/A1+ (24-Aug-20) 2) CARE AA; Negative/A1+ (22-Jun-20) 3) CARE AA; Negative/A1+ (08-May-20)	1) CARE AA; Negative / CARE A1+ (15-Feb-20) 2) CARE AA+; Negative / CARE A1+ (18-Oct-19) 3)CARE AA+ (Credit Watch with developing implications) / CARE A1+ (24-Sep-19) 4)CARE AAA (Credit Watch with developing implications) / CARE A1+ (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable / CARE A1+ (17-Jul-17)
5.	Debentures-Non Convertible Debentures	LT	6,141.64	CARE AA; Outlook: Negative	1) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications) (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications) (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (17-Jul-17)
6.	Debt-Subordinate Debt	LT	198.86	CARE AA; Outlook: Negative	1) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications) (24-Sep-19) 4) CARE AAA (Credit	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (17-Jul-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Rated (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
						Watch with developing implications) (12-Apr-19)		
7.	Commercial Paper	ST	3,000.00	CARE A1+	1) CARE A1+ (24-Aug-20) 2) CARE A1+ (08-May-20)	1) CARE A1+ (15-Feb-20) 2) CARE A1+ (18-Oct-19) 3) CARE A1+ (24-Sep-19) 4) CARE A1+ (12-Apr-19)	1)CARE A1+ (21-Dec-18)	-

Annexure-3: Entities considered for consolidation

Company Name	Extant of consolidation	Rationale for consolidation
Indiabulls Commercial Credit Limited	Full	Subsidiary
Indiabulls Collection Agency Limited	Full	Subsidiary
Ibulls Sales Limited	Full	Subsidiary
Indiabulls Insurance Advisors Limited	Full	Subsidiary
Nilgiri Financial Consultants Limited	Full	Subsidiary
Indiabulls Capital Services Limited	Full	Subsidiary
Indiabulls Advisory Services Limited	Full	Subsidiary
Indiabulls Asset Holding Company Limited	Full	Subsidiary
Indiabulls Asset Management Company Limited	Full	Subsidiary
Indiabulls Trustee Company Limited	Full	Subsidiary
Indiabulls Holdings Limited	Full	Subsidiary
Indiabulls Venture Capital Management Company Limited	Full	Subsidiary
Indiabulls Venture Capital Trustee Company Limited	Full	Subsidiary
Indiabulls Asset Management Mauritius	Full	Subsidiary
IBHFL Lender Repayment Trust	Full	Subsidiary

Annexure-4: Detailed explanation of covenants of the rated instrument / facilities-NA

Annexure 5: Complexity level of various instruments rated for this company

Sr No.	*Name of Instrument*	*Complexity Level*
1	Commercial Paper	Simple
2	Fund-based - LT/ ST-Term loan	Simple
3	Debentures-Non-Convertible Debentures	Simple
4	Debt-Subordinate Debt	Complex
5	Debt-Perpetual Debt	Highly Complex

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 clarification*

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