PNB Housing Finance Limited

July 05, 2019

Ratings

Facilities/instrument	**Amount (Rs. crore)**	**Rating[1]**	**Rating Action**
Long term Bank Facilities	6500	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long-term/Short-term Bank Facilities	8500	CARE AA+; Stable / CARE A1+ (Double A Plus; Outlook: Stable/ A One Plus)	Long term rating removed from Credit Watch with developing implications and short term rating reaffirmed; rating revised from CARE AAA/ CARE A1+ (Triple A/A One Plus)
Total Bank Facilities	15,000 **(Rs. Fifteen Thousand crore only)**		
Fixed Deposit programme	18,500 **(Rs. Eighteen Thousand Five Hundred crore only)**	CARE AA+ (FD); Stable [Double A Plus (Fixed Deposit)]; Outlook: Stable)	Removed from credit Watch with developing implications and rating revised from CARE AAA (FD); [Triple A (Fixed Deposit)]
Long term Bonds/Non-Convertible Debentures	150 **(Rupees One Hundred Fifty Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	125 **(Rupees One Hundred Twenty Five Crore Only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	200 **(Rupees Two Hundred Crore Only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	500 **(Rupees Five Hundred Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	1000 **(Rupees Thousand Crore Only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures^	600 **(Rupees Six Hundred crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	2,875 **(Rupees Two Hundred Seventy Five crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	- (reduced from Rs.1125 crore)	-	Withdrawn#

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

Facilities/instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Long term Bonds/Non-Convertible Debentures	6,501 **(Rupees Six Thousand Five Hundred One crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	8,500 **(Rupees Eight Thousand Five Hundred Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	7,000 **(Rupees Seven Thousand Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Bonds/Non-Convertible Debentures	5,000 **(Rupees Five Thousand Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long Term Tier-II Bonds/Subordinated Debt	1,000 **(Rupees One Thousand Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long Term Tier-II Bonds/Subordinated Debt	200 **(Rupees Two Hundred Crore Only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long Term Tier-II Bonds/Subordinated Debt	500 **(Rupees Five Hundred Crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Long term Tier-II Bonds/ Subordinated Debt	499 **(Rupees Four Hundred Ninety Nine crore only)**	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Removed from Credit Watch with developing implications; Rating revised from CARE AAA; (Triple A)
Commercial Paper (CP) issue	25,000 **(Rupees Twenty Five Thousand Crore only)**	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

 # CARE has withdrawn the rating(s) assigned to the NCD issue of PNBHFL with immediate effect, as the company has repaid the aforementioned NCD/Bond issue in full and there is no amount outstanding under the issue as on date.

Detailed Rationale & Key Rating Drivers

The ratings assigned to long term instruments/bank facilities of PNB Housing Finance Ltd (PNBHFL) have been removed from credit watch and revised in view of the elongated liquidity tightening cycle and the consequent impact on the real estate sector, resulting in increased vulnerability of PNBHFL's corporate loan book. Also, PNBHFL would need to raise substantial capital in order to bring down its gearing levels (~10.5x as on Mar-19[2]) which has become especially important in view of the increased portfolio vulnerability of the wholesale book and also the revised NHB Guidelines issued in June 2019 requiring HFCs to maintain minimum Tier-I capital of 10% (PNBHFL's Tier-I Capital was marginally above the regulatory requirement at 11% as on Mar-19). As per the capital raising plan shared by the management, PNBHFL intends to raise around Rs.2,000-2,500 crore of capital by Q3FY20. Timely raising of capital would also be crucial for sustaining the growth in its loan book. However, given the weak market sentiment, the ability of PNBHFL to raise capital in a timely manner remains to be seen. CARE has also taken note of Punjab National Bank's (PNB; promoter of PNBHFL) termination of the agreement for stake sale in PNBHFL vide its press release dated May 16, 2019.

[2] Tangible Net-worth = Net Worth – DTA – Intangible Assets – Unamortized expenses
Note: Gearing Basis the Tangible Networth is 10.5x as on Mar-19 (Gearing is 9.3x as on Mar-19 as per Networth as per Balance Sheet)

The ratings of PNB Housing Finance Ltd (PNBHFL) continue to derive strength from its experienced management team, brand linkages with PNB; promoter of PNBHFL, consistent growth in loan portfolio, market position as the fourth largest HFC in the country, profitability profile of the company, comfortable asset quality numbers (GNPA and NNPA of 0.48% and 0.38% as on Mar-19), well diversified resource profile as also demonstrated by its ability to raise funds despite the tight liquidity environment seen since Sept-18 and maintenance of adequate liquidity position.
The ability of the company to raise capital and improve its capital structure, reduce the share of builder funding in its overall loan book, control slippages and maintain its asset quality, sustain the growth in loan book and maintain profitability, while maintaining adequate liquidity position would be the key rating sensitivities.

Detailed description of the key rating drivers
Key Rating Strengths
Comfort from brand linkages with PNB (promoter of PNBHFL) and experienced management team of PNBHFL
PNBHFL has promoter in PNB (32.79% holding as on March 31, 2019). PNBHFL also shares the brand linkages with PNB and benefits in terms of financial flexibility for fund raising as well as lending operations; however as the company has grown, the reliance on PNB in the form of management and funding support had reduced. PNB which had earlier in March 2019, announced that it will be selling its part-stake in PNBHFL, has terminated the agreement for sale in absence of the regulatory approval. PNB is expected to continue as the promoter and strategic shareholder in PNBHFL. PNB has however continued to extend funding support in times of need.
PNBHFL's operations are managed by an independent management team comprising of professionals with strong domain knowledge and extensive experience in the mortgage business. The company is led by Mr. Sanjaya Gupta (Managing Director) who has a rich experience of over 32 years in housing finance industry. Under his leadership, PNBHFL launched the business process re-engineering initiative namely 'Kshitij' which has improved the operational efficiency and helped PNBHFL emerged as one of the largest HFCs in the country.
Long standing track record and market position
Established in 1988, PNBHFL has a long and profitable track record of operations of over three decades. PNBHFL is the fourth largest HFC in the country with asset under management (AUM) of Rs.84,722 crore as on March 31, 2019. PNBHFL has seen CAGR of 45% in its AUM over the last 3 years. As on March 31, 2019, PNBHFL had 102 branches and 23 hubs with presence in 62 unique cities. This includes 18 new branches across 15 cities made operational during FY19. The Company also services the customers through outreach locations.

Within AUM, retail loan book i.e. Individual Housing loans(IHL; 58%), Loan Against Property (LAP; 17%) and Non-residential premise loans (NRPL) and retail LRD (6%) comprised 79% of AUM and wholesale loan book (Construction Finance – 13%, Corporate Term Loans- 4%, LRD – 4%) comprised 21% of AUM. The on-balance sheet loan book was Rs.74,023 crore (87% of AUM) and balance was in the form of assigned loan book (IHL and LAP).

Healthy financial performance during FY19
During FY19, PNBHFL saw a 36% growth from Rs.62,252 crore as on March 31, 2018 to Rs.84,722 crore as on March 31, 2019. Despite the tight liquidity environment, the disbursements of PNBHFL in H2FY19 have largely been in line with those prior to Sept-18, as PNBHFL has continued to raise borrowings to fund its disbursements.

PNBHFL reported a growth of 40% in its total income to Rs.7,683 crore during FY19 which was supported by robust growth in AUM. PNBHFL reported a PAT of Rs.1,192 crore in FY19 as against Rs.841 crore in FY18 at consolidated level. The profitability of PNBHFL was stable as reflected by an Adj. ROTA of 1.48% in FY19 (as against 1.49% in FY18). Although, there was a marginal decline in Adjusted NII (Total Income less interest costs to Total Assets including off-book portfolio) due to increase in leverage and reduction in interest spreads, PNB's profitability profile was supported by marginal reduction in operating expenses ratio and reduction in credit costs.

There has been an increase in average funding cost by 20-30 bps for the various funding lines of PNBHFL during FY19 over the period FY18, which have consequently resulted in increase in the incremental lending rates of PNBHFL. Going forward, PNBHFL's ability to sustain its interest spreads by controlling its funding cost / pass on the increase in funding cost to the borrowers (given rising interest rate for HFCs) while continuing to be competitive and maintaining its asset quality and control its credit costs will be critical for its profitability profile.

Diversified resource profile
PNBHFL has demonstrated strong resource raising capacity to fund business growth. It has raised funds through various market instruments, public deposits, external commercial borrowings as well as loans from various banks and financial institutions including NHB, Asian Development Bank and International Finance Corporation.

As on March 31, 2019, PNBHFL's funding profile (borrowings and loan assignment) comprised of NCDs (28%), Deposits (17.2%), Commercial Paper (9.6%), Loans from banks and FIs (18.2%), National Housing Bank (NHB) finance (8.5%) and external commercial borrowings (ECBs; 5.7%). Besides, PNBHFL has also raised funds through off balance sheet transactions (direct assignment) which accounted for 12.9% of overall funding mix as on March 31, 2019.

Although, there has been a substantial reduction in long term funding raised through capital markets (NCD's forming 4.7% of ~Rs.31,000 crore funding raised in FY19 by PNBHFL other than CPs), the same has been replaced by increased funding from banking channel, ECBs, NHB and assignment. PNBHFL, has managed to raise substantial borrowings of more than Rs.15,000 crore (excluding OD and CPs) during the six months (H2FY19) following the tightening of liquidity for the NBFC and HFC's seen since Sept-18. Also, the share of shorter tenure CP borrowings in the overall funding mix has been brought down to 9.6% as on Mar-19 as against 17.5% as on Mar-18. PNBHFL intends to maintain these at similar levels on an ongoing basis.

Adequate Liquidity profile

The liquidity profile of PNBHFL is adequate. Although, there are intrinsic mismatches in inflow and outflows for PNBHFL given the longer tenure of its assets upto 30 years and shorter tenure of its borrowings of 3-5 years, these are supported by liquid cash and bank balance and investments of ~Rs.5,000-6,000 crore being maintained by PNBHFL besides un-availed lines of credit. PNBHFL also maintains long term investments (SLR investments) to the extent of 12.50% of the public deposits outstanding in the preceding quarter.

As against scheduled principal repayments of Rs.31,472 crore (including CP repayments of Rs.7,950 crore and overdraft of Rs.2,418 crore) during 1 year period upto Mar-20, PNBHFL had liquid cash and bank balance and investments of Rs.6,535 crore as on April 1, 2019 and sanctioned un-availed lines of credit of Rs.2,000 crore which is sufficient to take care of short term mismatches of upto 2 months. The liquidity profile of PNBHFL is also supported by historically higher book run-off at ~20.5% as against scheduled repayment schedule (expected collections of ~Rs.15,000 crore in FY20), rollover of deposits and avenue of securitization available to generate additional liquidity (Rs.7366 crore assignment undertaken in FY19).

PNBHFL had liquid cash and bank balance and investments of Rs.4,703 crore, un-availed lines of credit of Rs.1801 crore as on June 30, 2019. PNBHFL's liquidity profile is expected to remain comfortable on the back of its diversified funding profile and financial flexibility as reflected in its ability to raise funding from diversified set of investors.

Key Rating Weakness

Vulnerability owing to corporate book exposure to real estate sector albeit healthy asset quality

PNBHFL reported healthy asset quality parameters with Gross NPA ratio of 0.48% and Net NPA ratio of 0.38% as on March 31, 2019, which is better than its peers. The Net NPA to Tangible net-worth[3] ratio stood at around 4% as on March 31, 2019. As on March 31, 2019, the Company was carrying total provision (including ECL and contingent provision) of Rs.594 crore as against Gross Non- Performing Assets of Rs.335 crore.

The healthy asset quality especially in the retail segment (both individual housing and LAP segment) can be attributed to adequate systems put in place post the BPR exercise and success in resolution of NPAs using SARFAESI Act.

However, the vulnerability of wholesale loan book of the HFCs including PNBHFL has increased given weakness in real estate sector and credit profile of real estate developers. Although, NPA for the wholesale loan book (i.e. construction finance and corporate loans to builders excluding LRDs) was 0.20% as of March 31, 2019, overall, vulnerability of wholesale loan of PNBHFL (CF and CTL loans aggregating Rs.14,822 crore) which constitutes nearly 20% share of on-book loan portfolio as on March 31, 2019 (increased from 18% as March 31, 2018 and 15% as on March 31, 2017) has increased following the prolonged tight liquidity environment which has impacted the health of the real estate players. This is also evident in the increase in the Stage 2 assets in the builder book of PNBHFL (Rs.1120 crore, 7.5% of CTL and CF Book and 16.3% of the Tangible Net-worth of PNBHFL as on Mar-19). Although, most of these accounts are in less than 30 day DPD bucket, PNBHFL has prudently recognized these under Stage 2, basis the risk assessment of these projects basis the delay in construction, cash flows, legal issues etc. conservative

PNBHFL is carrying a provision of Rs.170 crore (15% of the stage 2 assets) as on Mar-19 and an additional contingency provision of Rs.156.50 crore (14% of the stage 2 assets) and has exhibited a track record of resolution and recovery from the accounts which have slipped into NPA from the corporate book in the past, any further, elongation of the current liquidity crisis could further impact the ability of the real estate players to complete the projects and generate adequate cash flows to service the debt which could result in additional slippages and provisioning requirement, thus impacting the asset quality, profitability and capitalization levels of PNBHFL.

Also, risk of retail loan against property (LAP and NRPL; 15% and 4% of on-book portfolio of PNBHFL as on Mar-19) portfolio of HFCs including PNBHFL is expected to be higher than retail housing finance business given the exposure to largely self-employed segment who are more vulnerable to economic cycles. So far PNBHFL has maintained healthy asset quality in these segments, however, the sustainability of the asset quality performance in these segments will be critical for the credit profile of the company going ahead.

High credit concentration in wholesale lending book; albeit intent to reduce the share of corporate book and ticket size of exposures

There is high credit concentration in the wholesale loan book of PNBHFL with top 20 groups contributing to nearly 60% of the overall wholesale AUM of Rs.17,915 crore (CF, CTL and LRD).

However, incrementally PNBHFL intends to bring down its share of overall wholesale book down to 13-14% of the AUM (from 21% as on Mar-19) with the share of riskier CF and CTL book down to 11-12% of AUM by FY20. Also, PNBHFL is in the process of devising a policy to restrict the ticket size of its exposures to much lower levels from the current norms that allow exposure to a single entity and group to the extent of 15% and 25% of the tangible net-worth respectively (in line with NHB Guidelines).

Need to raise substantial capital to improve capital structure, cushion for any impact on asset quality due to corporate book exposure and sustain growth

PNBHFL had raised capital of Rs.3,000 crore from the IPO issue in November 2016. Since then there has been a substantial growth in loan book of PNBHFL and consequently the leverage levels of the company (overall debt/tangible net worth) has increased and was around 10.5x as on Mar-19 as against 9.56 times as on March 31, 2018 (P.Y. 6.81 times).

Although, the capital adequacy and gearing level are within the regulatory minimum required CRAR of 12% and gearing of 16x respectively as on Mar-19, PNBHFL's CRAR and Tier 1 capital has reduced to 13.98% and 11.00% respectively as against 16.67% and 12.75% respectively as on March 31, 2018 (CRAR has been computed basis Net-worth stated as per IGAAP which is lower than the Net-worth as per BS computed as per INDAS). However, in view of the revised norms issued by NHB dated June 17, 2019, requiring HFCs to maintain minimum Tier-I CAR of 10% effective FY20 as against 6% currently, the buffer available in terms of Tier-I capital of PNBHFL is expected to reduce significantly.

PNBHFL is required raise substantial capital to fund its growth plans and reduce its leverage to provide cushion in view of the increased vulnerability of the corporate loan book and rising funding costs for housing finance sector in general.

PNBHFL has stated its intent to reduce the share of corporate book and raise capital of nearly Rs.2000-2500 crore by Q3FY20 and resort to assignment of loans to reduce its gearing levels within reasonable limits of 8-8.5x. As per CARE estimates, PNBHFL would need to raise capital of nearly Rs.4,000-5,000 crore over the next 3 years including Rs.2,000 crore in FY20 in order to grow its on-book loan portfolio at 25% (as against 30% during FY19 and CAGR of 39% over the last 3 years) while maintaining its gearing levels within reasonable limits at 8-8.5x.

Given, weak market sentiment, the ability of PNBHFL to raise capital in a timely manner and thereby sustain the growth would be crucial for its credit profile.

Outlook

The continuation of prevailing tight liquidity scenario in the credit market may impact the overall growth of the housing finance sector. The slowdown in the real estate market coupled with elevated refinancing risk for the developers is expected to impact the asset quality of players in the sector. Further, increase in the cost of funds and delinquencies would impact their profitability margins. However, the continuation of long-term trend of robust asset quality of home loans, except for some players who are in the affordable housing segment, is a key positive for the sector. Going ahead, the transmission of increasing funding costs to the borrower base is a key monitorable in the highly competitive scenario. Such a development could lead to high prepayments and compel players to reduce the proportion of prime borrower segment, to compensate for the reduction in margin.]

Analytical approach: Consolidated; PNBHFL and its subsidiary PHFL Home Loans and Services Pvt. Ltd.

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings

Criteria for placing rating on credit watch
CARE's Policy on Default Recognition
Criteria for Short-term Instruments
Policy on Withdrawal of ratings
Sector Methodology – Housing Finance Companies
Financial Sector Ratios

About the Company

PNBHFL (CIN: L65922DL1988PLC033856), established in 1988, is a deposit- accepting housing finance company registered with National Housing Bank. It is engaged in Retail Loans (housing loans for construction, purchase, repair and up-gradation of houses, loan against property (LAP) and Non-Residential Premise loans and LRD loans to individuals) and wholesale loans viz. corporate term loans, construction finance and lease rental discounting (LRD). It is the fourth largest housing finance company in India and reported an outstanding Assets Under Management (AUM) of Rs.84,722 crore as on March 31, 2019. During FY18, PNBHFL has also floated a subsidiary PHFL Home Loans and Services Pvt Ltd which houses the sales / loan origination staff of PNBHFL.

PNBHFL is the promoter in PNBHFL with 32.79% holding in the company as on March 31, 2019 with QIH (Quality Investments Holdings) part of Carlyle Group being the largest investor in the company holding 32.36% stake in the company.

Brief Financials (Rs. crore)	FY18 (A)	FY18 (A)	FY19 (A)
	IGAAP	INDAS	INDAS
Total operating income	5,517	5,489	7,683
PAT	829	841	1,192
Interest coverage (times)	1.36	1.35	1.34
Total Assets	63,169	62,385	83,199
Net NPA (%)	0.25	0.25	0.38
Adj. ROTA (%)*	1.46	1.49	1.48

A: Audited (Consolidated)
**Ratio has been computed based on average of annual opening and closing balances*
***Adj. ratios computed based on incl. of securitized/assigned (off-book portfolio)*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Annexure-1: Details of Instruments/Facilities

S.no	Name of the instrument	ISIN Number	Issue Date	Maturity	Coupon Rate	Issue Size Amt (Rs. Cr)	Rating assigned along with Rating Outlook
1.	Fund-based – Long term bank facilities	-	-	-	-	6500.00	CARE AA+; Stable
2.	Fund-based-LT/ST bank facilities	-	-	-	-	8500.00	CARE AA+; Stable/ CARE A1+
3.	Commercial Paper	-	-	-	< 1 year	25000.00	CARE A1+
4.	Fixed Deposit Programme	-	-	-	-	18500.00	CARE AA+ (FD); Stable
5.	Long Term Bonds	INE572E09064	16-Jan-2008	16-Jan-2019	9.20%	30.00	CARE AA+; Stable
6.	Long Term Bonds	INE572E09072	16-Jan-2008	16-Jan-2020	9.20%	30.00	CARE AA+; Stable
7.	Long Term Bonds	INE572E09080	16-Jan-2008	16-Jan-2021	9.20%	30.00	CARE AA+; Stable
8.	Long Term Bonds	INE572E09098	16-Jan-2008	16-Jan-2022	9.20%	30.00	CARE AA+; Stable
9.	Long Term Bonds	INE572E09106	16-Jan-2008	16-Jan-2023	9.20%	30.00	CARE AA+; Stable
10.	Long Term Bonds	INE572E09130	9-Nov-2009	9-Nov-2019	8.85%	125.00	CARE AA+; Stable

S.no	Name of the instrument	ISIN Number	Issue Date	Maturity	Coupon Rate	Issue Size Amt (Rs. Cr)	Rating assigned along with Rating Outlook
11.	Long Term Bonds	INE572E09148	26-Jul-2011	26-Jul-2021	9.50%	200.00	CARE AA+; Stable
12.	Long Term Bonds	INE572E09155	12-Sep-2011	12-Sep-2021	9.55%	200.00	CARE AA+; Stable
13.	Long Term Bonds	INE572E09163	29-Jun-2012	29-Jun-2022	9.25%	300.00	CARE AA+; Stable
14.	Long Term Bonds	INE572E09171	14-Sep-2012	14-Sep-2022	9.15%	200.00	CARE AA+; Stable
15.	Long Term Bonds	INE572E09189	21-Dec-2012	21-Dec-2022	9%	200.00	CARE AA+; Stable
16.	Long Term Bonds – Tier-II	INE572E09197	21-Dec-2012	21-Dec-2022	9.10%	200.00	CARE AA+; Stable
17.	Long Term Bonds	INE572E09205	16-May-2013	16-May-2023	8.58%	600.00	CARE AA+; Stable
18.	Long Term Bonds	INE572E09270	17-Jun-2015	17-Jun-2020	8.59%	700.00	CARE AA+; Stable
19.	Long Term Bonds	INE572E09288	28-Jul-2015	28-Jul-2020	8.56%	700.00	CARE AA+; Stable
20.	Long Term Bonds#	INE572E09296	-	-	-	-	Withdrawn#
21.	Long Term Bonds	INE572E09304	9-Nov-2015	9-Nov-2020	8.19%	500.00	CARE AA+; Stable
22.	Long Term Bonds	INE572E09312	12-Jan-2016	12-Jul-2019	8.36%	780.00	CARE AA+; Stable
23.	Long Term Bonds – Tier-II	INE572E09320	18-Jan-2016	17-Jan-2026	8.42%	210.00	CARE AA+; Stable
24.	Long Term Bonds	INE572E09338	3-Feb-2016	3-Jul-2021	8.33%	500.00	CARE AA+; Stable
25.	Long Term Bonds – Tier-II	INE572E09346	28-Apr-2016	28-Apr-2026	8.39%	290.00	CARE AA+; Stable
26.	Long Term Bonds	INE572E09353	1-Jun-2016	1-Sep-2021	8.33%	300.00	CARE AA+; Stable
27.	Long Term Bonds	INE572E09361	1-Jul-2016	1-Jul-2021	8.47%	1,464.00	CARE AA+; Stable
28.	Long Term Bonds	INE572E09379	1-Jul-2016	28-Jun-2019	8.65%	753.00	CARE AA+; Stable
29.	Long Term Bonds – Tier-II	INE572E09387	26-Jul-2016	26-Jul-2023	8.57%	499.00	CARE AA+; Stable
30.	Long Term Bonds	INE572E09395	19-Sep-2016	18-Oct-2019	7.95%	800.00	CARE AA+; Stable
31.	Long Term Bonds	INE572E09403	29-Sep-2016	29-Mar-2022	7.91%	250.00	CARE AA+; Stable
32.	Long Term Bonds	INE572E09411	31-Jan-2017	30-Apr-2020	7.46%	1,025.00	CARE AA+; Stable
33.	Long Term Bonds	INE572E09429	8-May-2017	7-May-2021	7.80%	320.00	CARE AA+; Stable
34.	Long Term Bonds	INE572E09437	26-May-2017	25-Sep-2020	7.77%	305.00	CARE AA+; Stable
35.	Long Term Bonds	INE572E09445	15-Jun-2017	15-Jun-2020	7.55%	500.00	CARE AA+; Stable
36.	Long Term Bonds	INE572E09452	15-Jun-2017	15-Dec-2020	7.63%	500.00	CARE AA+; Stable
37.	Long Term Bonds	INE572E09460	14-Jul-2017	14-Jul-2020	7.63%	950.00	CARE AA+; Stable
38.	Long Term Bonds	INE572E09478	27-Jul-2017	15-Sep-2020	7.50%	800.00	CARE AA+; Stable
39.	Long Term Bonds	INE572E09478	27-Jul-2017	15-Sep-2020	7.50%	200.00	CARE AA+; Stable
40.	Long Term Bonds	INE572E09486	27-Jul-2017	27-Jul-2022	7.59%	700.00	CARE AA+; Stable
41.	Long Term Bonds	INE572E09494	27-Jul-2017	3-Aug-2020	7.50%	200.00	CARE AA+; Stable
42.	Long Term Bonds	INE572E09502	5-Sep-2017	5-Sep-2019	7.25%	1,000.00	CARE AA+; Stable
43.	Long Term Bonds	INE572E09510	19-Sep-2017	19-Mar-2019	7.10%	200.00	CARE AA+; Stable
44.	Long Term Bonds	INE572E09528	26-Sep-2017	26-Sep-2019	7.28%	710.00	CARE AA+; Stable
45.	Long Term Bonds	INE572E09536	31-Oct-2017	31-Oct-2019	7.44%	860.00	CARE AA+; Stable
46.	Long Term Bonds	INE572E09551	31-Oct-2017	31-Dec-2020	7.53%	500.00	CARE AA+; Stable
47.	Long Term Bonds	INE572E09569	15-Nov-2017	15-Mar-2021	7.58%	520.00	CARE AA+; Stable
48.	Long Term Bonds	INE572E09577	31-Jan-2018	28-Feb-2020	8.09%	500.00	CARE AA+; Stable
49.	Long Term Bonds	INE572E09585	31-Jan-2018	6-Apr-2021	8.12%	189.00	CARE AA+; Stable
50.	Long Term Bonds	INE572E09593	5-Jun-2018	5-Jun-2020	8.60% (IRR-	300.00	CARE AA+; Stable

S.no	Name of the instrument	ISIN Number	Issue Date	Maturity	Coupon Rate	Issue Size Amt (Rs. Cr)	Rating assigned along with Rating Outlook
					ZCB)		
51.	Long Term Bonds	INE572E09288	25-Jul-2018	28-Jul-2020	8.56%	95.00	CARE AA+; Stable
52.	Long Term Bonds	INE572E09288	8-Aug-2018	28-Jul-2020	8.56%	91.00	CARE AA+; Stable
53.	Long Term Bonds	INE572E09288	20-Aug-18	28-Jul-20	8.56%	95.00	CARE AA+; Stable
54.	Long Term Bonds	INE572E09601	30-Aug-18	30-Aug-21	8.75%	230.00	CARE AA+; Stable
55.	Long Term Bonds	INE572E09619	30-Aug-18	30-Aug-22	9.00%	355.00	CARE AA+; Stable
56.	Long Term Bonds – Tier-II	INE572E09627	7-Jan-19	5-Jan-29	9.40%	39.70	CARE AA+; Stable
57.	Long Term Bonds	INE572E07050	28-Feb-19	28-May-20	8.77%	235.00	CARE AA+; Stable
58.	Total Senior Bonds Outstanding					21,002	
59.	Total Subordinated Debt/Tier-II Bonds Outstanding					1,238.7	
60.	Proposed Senior Bonds*					349.0	
61.	Proposed Senior Bonds					7,000	
62.	Proposed Senior Bonds					5,000	
63.	Proposed Subordinated Tier-II Bonds					960.3	

***out of Rs. 8500 crore Instrument**

#ISIN: INE572E09296 withdrawn upon redemption of instrument of Rs.1125 crore basis the redemption certificate from NSDL dated April 12, 2019

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Bonds	LT	150.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
2.	Debt-Subordinate Debt	LT	-	-	-	-	1)Withdrawn (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
3.	Debt-Subordinate Debt	LT	200.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
4.	Bonds	LT	125.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
5.	Bonds	LT	-	-	-	-	1)Withdrawn (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
								(19-Aug-16)
6.	Bonds	LT	200.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
7.	Bonds	LT	500.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
8.	Bonds-Non Convertible Bonds	LT	1000.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
9.	Bonds	LT	600.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
10.	Commercial Paper	ST	25000.00	CARE A1+	1)CARE A1+ (29-Apr-19)	1)CARE A1+ (06-Jul-18) 2)CARE A1+ (29-May-18)	1)CARE A1+ (29-Aug-17) 2)CARE A1+ (18-Jul-17)	1)CARE A1+ (07-Feb-17) 2)CARE A1+ (19-Aug-16) 3)CARE A1+ (07-Jun-16) 4)CARE A1+ (27-April-16)
11.	Fund-based - LT-Bank Facilities	LT	6500.00	CARE AAA (Under Credit watch with Developing Implications)	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (08-Jan-18) 2)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
12.	Bonds	LT	2875.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
13.	Bonds-Non Convertible Bonds	LT	-	Withdrawn	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
14.	Fixed Deposit	LT	18500.00	CARE AAA (FD) (Under Credit	1)CARE AAA (FD) (Under	1)CARE AAA (FD); Stable	1)CARE AAA (FD); Stable	1)CARE AAA (FD); Stable

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
				watch with Developing Implications)	Credit watch with Developing Implications) (29-Apr-19)	(06-Jul-18)	(18-Jul-17)	(07-Feb-17) 2)CARE AAA (FD) (19-Aug-16) 3)CARE AAA (FD) (07-Jun-16)
15.	Bonds-Tier II Bonds	LT	500.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16)
16.	Bonds-Non Convertible Bonds	LT	6501.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16) 3)CARE AAA (07-Jun-16)
17.	Bonds-Tier II Bonds	LT	499.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (18-Jul-17) 2)CARE AAA; Stable (29-May-17)	1)CARE AAA; Stable (07-Feb-17) 2)CARE AAA (19-Aug-16) 3)CARE AAA (07-Jun-16)
18.	Bonds	LT	8500.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (29-Aug-17) 2)CARE AAA; Stable (18-Jul-17)	-
19.	Fund-based-LT/ST bank facilities	LT/ST	8500.00	CARE AAA / CARE A1+ (Under Credit watch with Developing Implications)	1)CARE AAA / CARE A1+ (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable / CARE A1+ (06-Jul-18)	1)CARE AAA; Stable / CARE A1+ (08-Jan-18) 2)CARE AAA; Stable / CARE A1+ (18-Jul-17)	-
20.	Bonds	LT	7000.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (08-Jan-18)	-
21.	Bonds-Tier II Bonds	LT	1000.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
22.	Bonds	LT	-	-	-	1)Withdrawn (06-Jul-18)	-	-
23.	Debentures-Non Convertible Debentures	LT	5000.00	CARE AA+; Stable	1)CARE AAA (Under Credit watch with Developing Implications) (29-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	-	-

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.*

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