



Corporate Announcement

October 18, 2019

Sub.:

1. **Indiabulls Housing Finance Limited Long-term rating reaffirmed by the rating agency CARE Ratings at "CARE AA+", Perpetual Debt at "CARE AA". Watch on long-term rating resolved to 'Negative Outlook'. Short-term rating at "CARE A1+"**
2. **Long-term rating revised by rating agency Brickwork Ratings from "BWR AAA" to "BWR AA+"**

Dear Sirs,

This is with reference to the communication Indiabulls Housing Finance Limited [IBH] received from the rating agency CARE Ratings on October 18, 2019. The rating committee of CARE Ratings has reaffirmed Long-term rating at "CARE AA+" and Perpetual Debt at "CARE AA". Short-term rating has been reaffirmed at "CARE A1+". The watch resolution of negative outlook follows the announcement of RBI not approving the merger of IBH with LVB.

CARE noted the following in reaffirming the ratings and resolving the rating watch:

- **IBH maintains liquidity of at least one year debt repayments as a policy. As on October 10, 2019, IBH maintained total liquidity of ~Rs.18,500 crore which covers next one year scheduled repayments**
- CARE also noted the following in reaffirming the ratings:
 - Established track record as one of the largest HFCs
 - Comfortable Capitalization levels: the company reported Capital Adequacy [CAR] of 27.81%
- In resolving the watch to negative outlook, CARE Ratings also commented on challenges in resource mobilization, moderation in asset quality indicators and exposure to Commercial Mortgage Loans

As per communication received from Brickwork Ratings on October 18, 2019 the long term rating has been revised from "BWR AAA" to "BWR AA+". The rating action was on account of challenging operating environment for NBFCs [including HFCs], impacting the ease and cost of raising funds, and steep fall in share price.

Kindly take the above information on record.

Thanking you,

Yours truly,
For **Indiabulls Housing Finance Limited**

