

India Home Loan Limited

July 19, 2021

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|---------------------------|---|---|---|
| Long Term Bank Facilities | 200.00 | CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BBB-; Negative; (Triple B Minus; Outlook: Negative) |
| Total Facilities | 200.00 (Rs. Two Hundred Crore Only) | | |
| Debentures | 50.00 | CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BBB-; Negative; (Triple B Minus; Outlook: Negative) |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 01, 2021 placed the rating(s) of India Home Loan Limited (IHLL) under the 'issuer non-cooperating' category as IHLL had failed to provide information for monitoring of the rating. IHLL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information on the company.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings have been revised on account of ongoing delays in servicing of term loan owing to stressed liquidity. While IHLL has been providing the monthly declaration to CARE of 'No Default' on its debt obligations and has provided the latest declaration dated July 1, 2021 for the month of June, 2021, indicating no delays or defaults, CARE has come to know about the delay in servicing of term loan.

Detailed description of the key rating drivers
Delays in debt servicing

There has been a delay in servicing of debt instruments on account of poor liquidity due to impact on collection efficiency.

Analytical approach: Standalone

Analytical Approach

[Policy in respect of Non-cooperation by issuer](#)
[Criteria on assigning Outlook and Creditwatch to Credit Ratings](#)
[CARE's policy on default recognition](#)
[Rating Methodology- Housing Finance Companies](#)
[Financial Ratios- Financial Sector](#)

About the Company

IHLL was originally incorporated as 'Manoj Housing Finance Co. Ltd.' in 1990. New management under the leadership of Mr. Mahesh Pujara (having significant experience in the equity capital markets and real estate business over the last 25 years) took over the business of the loss making company in FY09 (refers to the period April 01 to March 31) and renamed the company as 'India Home Loan Limited'

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

*Issuer did not cooperate; Based on best available information

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A)* |
|------------------------------|----------|-----------|
| Total Income | 32.94 | 31.13 |
| PAT | 2.80 | 1.12 |
| Gearing | 4.49 | 4.25 |
| Total Assets | 222.22 | 216.33 |
| Net NPA (%) | 3.06 | 4.73 |
| ROTA (%) | 1.22 | 0.51 |

*The company is a listed company and has published its financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Detailed explanation of covenants of the rated instrument/facilities is given in annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|---------------------------------------|--------------|------------------|-------------|---------------|-------------------------------|---|
| Non-Convertible Debentures | INE274E07012 | 30-Jun-20 | 11% | 30-Jun-23 | 20.00 | CARE D; Issuer Not Cooperating* |
| Non-Convertible Debentures (Proposed) | NA | - | - | - | 30.00 | CARE D; Issuer Not Cooperating* |
| Fund-based - LT-Term Loan | NA | NA | NA | 01-Nov-2029 | 200.00 | CARE D; Issuer Not Cooperating* |

* Issuer did not cooperate; Based on best available information

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 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 | Date(s) & Rating(s) assigned in 2018-2019 |
| 1. | Fund-based - LT-Term Loan | LT | 200.00 | CARE D; Issuer Not Cooperating* | 1) CARE BBB-; Negative; Issuer Not Cooperating* (01-Apr-21) | 1) CARE BBB-; Negative (07-Apr-20) | 1) CARE BBB-; Stable (01-Apr-19) | 1) CARE BBB-; Stable (15-May-18) |
| 2. | Non-Convertible Debentures | LT | 50.00 | CARE D; Issuer Not Cooperating* | 1) CARE BBB-; Negative; Issuer Not Cooperating* (01-Apr-21) | 1) CARE BBB-; Negative (26-Jun-20) | - | - |

* Issuer did not cooperate; Based on best available information

Annexure 3: Covenants of rated instrument/facility: Not Applicable

Annexure 4: Complexity Level of various Instruments rated of this company

| Sr. No. | Name of Instrument | Complexity Level |
|---------|----------------------------|------------------|
| 1 | Long term Bank facilities | Simple |
| 2 | 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.

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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

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