

HUDCO/CS/SE/2021

September 03, 2021

Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Scrip Code- 540530	Listing Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 NSE Symbol- HUDCO
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Dear Sir /Madam

Sub: Intimation in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) in respect of Credit Rating.

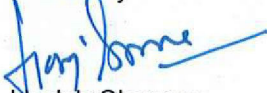
Pursuant to the provisions of SEBI Regulations, we wish to inform that M/s India Rating & Research Private Ltd. (IRRPL) and M/s CARE Rating Limited (CARE) have assigned/reaffirmed initial/surveillance credit rating, as per the details mentioned below: -

Instrument/ Facilities	Amount (Rs. in Crore)	Rating (IRRPL)	Rating (CARE)	Rating Action
Long term borrowing programme (FY 2021-22)	15000.00	IND AAA/Stable	CARE AAA;Stable [Triple A; Outlook: Stable]	Assigned
Long term borrowing programme	55343.47	IND AAA/Stable	CARE AAA;Stable [Triple A; Outlook: Stable]	Reaffirmed
Commercial Paper	10000.00	IND A1+	CARE A1+ (A One Plus)	Reaffirmed
Fixed Deposit Programme	50.00	IND tAAA	CARE AAA (FD) ;Stable [Triple A (Fixed Deposit); Outlook: Stable]	Reaffirmed
Long Term/Short Term Bank Facilities (including non-fund based facilities)	25000.00	IND AAA/Stable /A1+	CARE AAA; Stable/ CARE A1+ (Triple A; Outlook: Stable/ A One Plus)	Reaffirmed

Kindly acknowledge the receipt and take the same on your records

Thanking You

Yours truly


Harish Sharma
Company Secretary

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड (भारत सरकार का उपक्रम)

कोर 7ए, हडको भवन, भारत पर्यावास केन्द्र, लोधी रोड, नई दिल्ली-110003

दूरभाष : 011-24648160 फैक्स : (011) 24625308, आई.एस.ओ. 9001:2015 प्रमाणित कम्पनी

वेबसाईट : www.hudco.org, सी आई एन : L74899DL1970GO1005276, GST: 07AAACH0632A1ZF

Housing & Urban Development Corporation Ltd., (A Govt. of India Enterprise)
Core-7'A', HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi-110 003
Tel. : 011-24648160, Fax : 011-24625308, AN ISO 9001:2015 Certified Company
Website : www.hudco.org, CIN : L74899DL1970GO1005276, GST : 07AAACH0632A1ZF



Profitability with Social Justice

India Ratings Assigns HUDCO's FY22 Borrowing Programme 'IND AAA'/Stable; Affirms Existing Ratings

03

SEP 2021

By Billy Thomas

India Ratings and Research (Ind-Ra) has assigned Housing and Urban Development Corporation Limited's (HUDCO) FY22 borrowing programme a rating of 'IND AAA'. The Outlook is Stable. The detailed rating actions are given below:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Issuer rating	-	-	-	-	IND AAA/Stable/IND A1+	Affirmed
FY22 long-term borrowing programme#	-	-	-	INR150	IND AAA/Stable	Assigned
Commercial paper (CP)#	-	-	-	INR100	IND A1+	Affirmed
Bonds#	-	-	-	INR353.43	IND AAA/Stable	Affirmed
Government of India (GoI)-fully serviced bonds#	-	-	-	INR200	IND AAA/Stable	Affirmed
Proposed bank loans	-	-	-	INR130.97 (increased from INR88.05)	IND AAA/Stable/ IND A1+	Affirmed
Long-term bank loans	-	-	-	INR48.99 (increased from INR48.4)	IND AAA/Stable	Affirmed
Short-term bank loans	-	-	-	INR70.04 (increased from INR63.55)	IND A1+	Affirmed
Domestic term deposit	-	-	-	INR0.5 (reduced from INR20)	IND AAA	Affirmed

#Details in annexure

Analytical Approach: The ratings factor in HUDCO's continued systemic importance to the GoI, as issues related to the financing of housing and urban infrastructure projects would remain important to the government in the foreseeable future.

KEY RATING DRIVERS

Sustained Policy Support: HUDCO is a public policy institution engaged in the development of affordable housing and sustainable urban infrastructure. It has a social mandate of funding the housing needs of economically weaker section/low-income group category, along with uplifting the non-commercial urban infrastructure. Since its inception, HUDCO had funded more than 19.63 million dwelling units, about 86% of which belong to the economically weaker section. Its importance is reflected in the operational and financial support extended by the GoI in the form of allowing access to low-cost funds, extending guarantees, easing various norms, and guiding its broad policies and contours.

Moreover, the GoI provides support to HUDCO by waiving/giving relaxation in levy of government guarantee fee applicable on certain sovereign foreign currency loans. It provides relaxation in the credit concentration norms of the National Housing Bank (NHB: 'IND AAA/Stable/IND A1+') with regard to loans extended to government and public agencies.

Funding Public Sector: Since FY13, HUDCO's loan portfolio and disbursements have been skewed towards funding state government agencies' housing and urban infrastructure projects, with their share in the loan book rising to 96.6% in FY21 (FY20: 96.3%). Ind-Ra believes HUDCO's emphasis on loan disbursements to state government agencies engaged in the core sector development will continue in the near-to-medium term as a measure to safeguard its credit profile as well as meet the growing demand in the public sector.

Adequate Capitalisation: The vast majority of HUDCO's outstanding loans have been provided to state government agencies, and therefore, are backed by the respective state government guarantees. As per the prescribed norms, a risk weight of 20% for such exposures helps in maintaining a comfortable capital to risk weighted assets ratio (FY21: 64.01%, FY20: 55.47%). With HUDCO having discontinued fresh disbursements to the private sector, which carries a risk weight of 100%, from FY13, the capital adequacy ratio would remain comfortable in the near-to-medium term. The Mini Ratna status conferred to HUDCO has led to the prevention of equity infusions by the GoI; however, the corporation maintained a debt/equity ratio of 4.28x in 1QFY22 (FY21: 4.51x, FY20: 4.88x), against an overall gearing of 16.0x, which is to be reduced to 12.0x by FY22, permitted under NHB norms.

Stable Asset Quality: With largely one slippage, the corporation's gross and net non-performing asset (NPA) ratios remained stable at 4.03% and 0.5%, respectively, in FY21 (FY20: 3.82% and 0.19%, respectively). The asset quality was maintained in 1QFY22 with the gross and net NPA of 4.07% and 0.51%, respectively. Furthermore, in response to the COVID-19-related stress, borrowers accounting for about 38% of HUDCO's total asset book at FYE20 opted for the moratorium. There have been no slippages reported in such accounts till 1QFY22 and the collection efficiency has remained healthy. Nevertheless, the COVID-19 overhang still continues sustenance of asset quality metrics in the near-to-medium term and would remain a key rating monitorable.

Liquidity Indicator - Adequate: HUDCO's liquidity is likely to remain comfortable in the near-to-medium term. As per FYE21 asset-liability statement, there will be no negative mismatches on a cumulative basis during June 2021-March 2022. However, negative cumulative mismatches of INR62.8 billion are seen in the one-to-three-year period starting from April 2022. The higher quantum of these mismatches have mainly arisen due to the redemption of many three-year bonds issued in the past. HUDCO may consider redeeming these with similar long-term instruments or short-term bank lines with the objective to replace them later with longer tenor instruments. HUDCO had at its disposal sanctioned short-term bank lines of INR97.1 billion on 26 August 2021. The average maximum utilisation of the sanctioned bank lines was 20% over the 12 months ended July 2021. Furthermore, HUDCO had contingent liabilities of INR3.19 billion on its books as on 31 March 2021, most of which were related to disputed income tax and interest tax demands.

Stable Profitability: HUDCO's net interest income and margin declined to INR24.1 billion and 3.23%, respectively, in FY21 (FY20: INR26.4 billion and 3.61%), mainly on account of the general reduction in interest rates, which had to be passed on to borrowers, along with inability to reprice past bond issuance committed at higher rates. Nevertheless, the profit before tax improved 2.5% yoy to INR22.3 billion in FY21, mainly on account of impairment writebacks of INR0.73 billion against an incremental provisioning of INR1.55 billion in FY20. Furthermore as per provisional results for 1QFY21, HUDCO achieved a net interest income of INR6.3 billion and a pre-tax profit of INR5.44 billion.

Moderation in Loan Book Growth: After registering a strong growth of 25% yoy in the outstanding loan book in FY18, the pace of growth moderated to 7.7% yoy in FY19 (excluding the disbursements made to Building Material & Technology Promotion Council using the proceeds of the GoI-fully serviced bonds), and further to 6.1% yoy in FY20. In FY21, the outstanding loan book declined 1% yoy to INR757.86 billion, largely attributable to the COVID-19 induced lockdown and the consequent stalling of economic activities. Given HUDCO faces some competition from banks in lending to state agencies, particularly those not backed by budgetary provisions, a sustained and healthy growth in the outstanding loan book over the medium-to-long term would remain critical for the corporation.

Concentration in Portfolio: HUDCO's loan book remained concentrated with the top 25 borrowers accounting 85.5% of the outstanding loan book as on 31 March 2021. Given such high concentration, any slippage in any of the larger accounts could lead to a steep deterioration in asset quality. Nevertheless, as a major chunk (around 88%) of HUDCO's entire asset book is secured with state government guarantees (including loans of INR200 billion extended to Building Materials & Technology Promotion Council), the concentration risk is mitigated to some extent. There have been instances where entities having a state government guarantee have slipped, although many of them have later reverted to the standard category within a year.

Corporate Governance: HUDCO's audit committee does not have an independent director. However, HUDCO has already requested the Ministry of Housing and Urban Affairs - the appointing authority - for the appointment of the requisite number of independent directors on its board.

RATING SENSITIVITIES

Negative: The following events, individually or collectively, could be negative for the ratings:

- a dilution in HUDCO's role as a public policy institution,
- a dilution in HUDCO's role as a funding agency for the GoI's development projects in core sectors,
- a significant reduction in the GoI's stake in HUDCO to the extent that it would weaken the linkages, and
- the net NPA increasing above 3% on a sustained basis.

COMPANY PROFILE

HUDCO was incorporated in 1970 as a 100% GoI-owned company. Apart from financing low-cost social housing and non-commercial urban infrastructure projects, HUDCO offers consultancy services in cost-effective and innovative construction technologies. It is regulated by the Reserve Bank of India through supervision of RBI and administered by Ministry of Housing and Urban Affairs.

FINANCIAL SUMMARY

Particulars	FY20	FY21
Total assets (INR billion)	761.26	769.59
Net Interest Income (INR billion)	26.39	24.11
Net Income (INR billion)	17.08	15.78
Gross NPA (%)	3.82	4.03
Capital to risk weighted assets ratio (%)	55.47	64.01
Source: HUDCO, Ind-Ra		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical				
	Rating Type	Rated Limits (billion)	Rating	30 June 2021	24 December 2020	3 April 2020	5 July 2019	10
Issuer rating	Long-term/Short-term	-	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND A
Long Term Borrowing Programme	Long-term	INR150	IND AAA/Stable	-	-	-	-	-
CP	Short-term	INR100	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+	-
Bonds	Long-term	INR353.43	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND
GoI fully serviced bonds	Long-term	INR 300	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND
Proposed bank loans	Long-term/Short-term	INR130.9	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	Provisional IND AAA/Stable/Provisional IND A1+	Provisional IND AAA/Stable/Provisional IND A1+	Provisional IND AAA/Stable/Provisional IND A1+	Provisional IND AAA/Stable
Long-term bank loans	Long-term	INR48.99	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND
Short-term bank loans	Short-term	INR70.04	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+	-
Domestic term deposit	Long-term	INR0.5	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND

ANNEXURE

Bonds

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
Bonds	INE031A07AE6	24 March 2014	8.71	24 March 2031	INR0.0876	IND AAA/Stable
Bonds	INE031A07AH9	24 March 2014	8.96	24 March 2034	INR0.4194	IND AAA/Stable
Bonds	INE031A07980	13 January 2014	8.76	13 January 2034	INR2.8654	IND AAA/Stable
Bonds	INE031A07AB2	13 January 2014	9.01	13 January 2034	INR6.7116	IND AAA/Stable
Bonds	INE031A07923	25 October 2013	8.49	25 October 2033	INR0.3551	IND AAA/Stable
Bonds	INE031A07956	25 October 2013	8.74	25 October 2033	INR0.8885	IND AAA/Stable
Bonds	INE031A07AR8	15 March 2016	7.39	15 March 2031	INR10.2494	IND AAA/Stable
Bonds	INE031A07AT4	15 March 2016	7.69	15 March 2031	INR6.1005	IND AAA/Stable
Bonds	INE031A07AP2	22 February 2015	7.39	22 February 2031	INR2.115	IND AAA/Stable
Bonds	INE031A07AH9	8 February 2016	7.39	8 February 2031	INR9.0969	IND AAA/Stable
Bonds	INE031A07AC5	8 February 2016	7.64	8 February 2031	INR5.5615	IND AAA/Stable
Bonds	INE031A07AD8	24 March 2014	8.73	24 March 2029	INR0.2847	IND AAA/Stable
Bonds	INE031A07AG1	24 March 2014	8.08	24 March 2029	INR1.2842	IND AAA/Stable
Bonds	INE031A07972	13 January 2014	8.58	13 January 2029	INR1.2739	IND AAA/Stable
Bonds	INE031A07A44	13 January 2014	8.83	13 January 2029	INR1.2375	IND AAA/Stable
Bonds	INE031A07915	25 October 2013	8.51	25 October 2028	INR7.9927	IND AAA/Stable
Bonds	INE031A07949	25 October 2013	8.76	25 October 2028	INR8.15	IND AAA/Stable
Bonds	INE031A07899	2 September 2013	8.56	2 September 2028	INR1.908	IND AAA/Stable
Bonds	INE031A07881	28 March 2013	7.19	28 March 2028	INR1.0939	IND AAA/Stable
Bonds	INE031A07865	16 February 2013	7.51	16 February 2028	INR12.7424	IND AAA/Stable
Bonds	INE031A07840	5 March 2012	8.2	5 March 2027	INR25.183	IND AAA/Stable
Bonds	INE031A079FG6	22 December 2011	8.16	22 December 2026	INR0.4767	IND AAA/Stable
Bonds	INE031A09PD3	11 November 2011	7.83	11 November 2026	INR0.6651	IND AAA/Stable

Bonds	INED31A09FB7	21 October 2011	7.75	21 October 2026	INR0.1061	IND AAA/Stable
Bonds	INED31A07AQ0	15 March 2016	7.04	15 March 2026	INR0.4616	IND AAA/Stable
Bonds	INED31A07AS6	15 March 2016	7.29	15 March 2026	INR1.0535	IND AAA/Stable
Bonds	INED31A07AL1	8 February 2016	7.02	8 February 2026	INR1.1721	IND AAA/Stable
Bonds	INED31A07AM7	8 February 2016	7.27	8 February 2026	INR1.2845	IND AAA/Stable
Bonds	INED31A07AK3	9 October 2015	7	9 October 2025	INR1.035	IND AAA/Stable
Bonds	INED31A07AJ5	1 October 2015	7.07	1 October 2025	INR10.29	IND AAA/Stable
Bonds	INED31A07AJ7	31 July 2015	7.19	31 July 2025	INR1.51	IND AAA/Stable
Bonds	INED31A07AC0	24 March 2014	8.29	24 March 2024	INR0.1837	IND AAA/Stable
Bonds	INED31A07AF3	24 March 2014	8.54	24 March 2024	INR0.4736	IND AAA/Stable
Bonds	INED31A07964	13 January 2014	8.51	13 January 2024	INR5.0493	IND AAA/Stable
Bonds	INED31A07998	13 January 2014	8.76	13 January 2024	INR4.3963	IND AAA/Stable
Bonds	INED31A07907	25 October 2013	8.14	25 October 2023	INR2.6958	IND AAA/Stable
Bonds	INED31A07931	25 October 2013	8.39	25 October 2023	INR3.6179	IND AAA/Stable
Bonds	INED31A07873	28 March 2013	7.03	28 March 2023	INR0.9762	IND AAA/Stable
Bonds	INED31A07857	16 February 2013	7.34	16 February 2023	INR9.201	IND AAA/Stable
Bonds	INED31A07832	05 March 2012	8.1	05 March 2022	INR21.6642	IND AAA/Stable
Bonds	INED31A09FF8	22 December 2011	8.09	22 December 2021	INR0.4786	IND AAA/Stable
Bonds	INED31A09FC5	11 November 2011	7.62	11 November 2021	INR1.3766	IND AAA/Stable
Bonds	INED31A09FA9	21 October 2011	7.51	21 October 2021	INR0.0477	IND AAA/Stable
Bonds	INED31A08632	5 December 2018	8.46	15 February 2022	INR10.00	IND AAA/Stable
Bonds	INED31A08640	11 December 2018	8.4	11 April 2022	INR9.80	IND AAA/Stable
Bonds	INED31A08657	28 December 2018	8.23	15 April 2022	INR9.30	IND AAA/Stable
Bonds	INED31A08665	11 January 2019	8.34	11 July 2022	INR10.00	IND AAA/Stable
Govt fully serviced bonds	INED31A08673	30 January 2019	8.38	30 January 2029	INR20.669	IND AAA/Stable
Govt fully serviced bonds	INED31A08616	12 November 2018	8.6	12 November 2028	INR30.00	IND AAA/Stable
Govt fully serviced bonds	INED31A08624	28 November 2018	8.52	28 November 2028	INR20.50	IND AAA/Stable
Govt fully serviced bonds	INED31A08681	14 February 2019	8.58	14 February 2029	INR25.631	IND AAA/Stable
Govt fully serviced bonds	INED31A08699	15 March 2019	8.41	15 March 2029	INR53.2	IND AAA/Stable
Govt fully serviced bonds	INED31A08707	25 March 2019	8.37	25 March 2029	INR50	IND AAA/Stable
Bonds	INED31A08715	07 June 2019	7.61	22 June 2022	INR14.85	IND AAA/Stable
Bonds	INED31A08723	20 June 2019	7.62	15 July 2022	INR10	IND AAA/Stable
Bonds	INED31A08731	18 July 2019	7.34	16 September 2022	INR12.50	IND AAA/Stable
Bonds	INED31A08749	13 August 2019	7.05	13 October 2022	INR11.90	IND AAA/Stable
Bonds	INED31A08756	11 September 2019	6.99	11 November 2022	INR13.70	IND AAA/Stable
Bonds	INED31A08764	17 January 2020	6.79	14 April 2023	INR14.00	IND AAA/Stable
Bonds	INED31A08772	15 April 2020	6.65	15 June 2023	INR6.00	IND AAA/Stable
Bonds	INED31A08780	24 April 2020	6.09	24 June 2023	INR15.00	IND AAA/Stable
Bonds	INED31A08798	12 May 2020	5.95	11 August 2023	INR14.70	IND AAA/Stable
Bonds	INED31A08806	29 May 2020	6.75	29 May 2030	INR10.40	IND AAA/Stable
Bonds	INED31A08814	04 August 2020	5.35	11 April 2025	INR8.00	IND AAA/Stable
Bonds	INR031A08822	28 December 2020	4.78	28 February 2024	INR9.4	IND AAA/Stable
FY22 Long-term borrowing programme	Unutilised				INR150	IND AAA/Stable
	Total				INR703.43	

CP

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating
CP	Unutilised	-	-	-	INR100	IND A1+
	Total				INR100	

BANK WISE FACILITIES DETAILS

[Click here to see the details](#)

COMPLEXITY LEVEL OF INSTRUMENTS

Instrument Type	Complexity Indicator
FY22 Long-term borrowing programme	Low
CP	Low
Bonds	Low
Govt fully serviced bonds	Low

Proposed bank loans	Low
Long-term bank loans	Low
Short-term bank loans	Low
Domestic term deposits	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

SOLICITATION DISCLOSURES

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

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Applicable Criteria

[Rating of Public Sector Entities](#)
[Revenue-Supported Rating Criteria](#)

Analyst Names

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Housing and Urban Development Corporation Limited

September 03, 2021

Ratings

Instruments	Amount (Rs. crore)	Ratings ¹	Rating Action
Long-term/ Short-term Bank Facilities	25,000.00	CARE AAA; Stable/ CARE A1+ (Triple A; Outlook: Stable/ A One Plus)	Reaffirmed
Total Bank Facilities	25,000.00 (Rs. Twenty five thousand crore only)		
Long-term Instruments - Bonds (FY11-12)	5,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments - Bonds (FY12-13)	2,401.35	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments - Bonds (FY13-14)	4,987.11	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments - Bonds (FY15-16)	3,500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments-Tax-free Bonds(FY15-16)	1,500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments – Bonds (FY16-17)^	-	-	Withdrawn
Long-term Instruments – Bonds (FY17-18)^	-	-	Withdrawn
Long-term Instruments – Bonds (FY18-19)	23,910.00 (Reduced from 24,010.00)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments – Bonds (FY19-20)	7,695.00 (Reduced from 30,000.00) #	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments – Bonds (FY20-21)	6,350 (Reduced from 28,000.00) *	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Long-term Instruments – Bonds (FY21-22)	15,000.00**	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Total Long-term Instruments	70,343.46 (Rs. Seventy thousand three hundred forty three crore and forty six lakh only)		
Fixed Deposit Programme	50.00 (Reduced from 2,000.00)	CARE AAA (FD); Stable [Triple A (Fixed Deposit); Outlook: Stable]	Reaffirmed
Total Medium-term Instruments	50.00 (Rs. Fifty crore only)		
Commercial Paper	10,000.00	CARE A1+ (A One Plus)	Reaffirmed
Total Short-term Instruments	10,000.00 (Rs. Ten thousand crore only)		

#Raised Rs.7,695 crore in FY20

*Raised Rs.6,350 crore in FY21

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

^CARE has withdrawn the rating assigned to NCD with immediate effect, as the company has redeemed the NCD issue and there is no amount outstanding under the said issue as on date

***Including sub limit of subordinate bonds of Rs. 3,000.00 crore*

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings on various long-term and short-term instruments of Housing and Urban Development Corporation Limited (HUDCO) were reaffirmed at 'CARE AAA; Stable', 'CARE AAA (FD); Stable' and 'CARE A1+', respectively, as the ratings continue to derive strength from it being a majority (81.81% ownership as on August 06, 2021) Government of India (GoI)-owned entity, its strategic importance to GoI for implementation of various government policies in social housing and urban infrastructure related sectors, majority of its lending backed government guarantees, budgetary provision from government for debt servicing and an overall expectation of support from GoI in case of need. This has led to HUDCO's healthy business growth with incremental lending only to Government sector borrowers resulting in good asset quality metrics. The ratings also draw comfort from HUDCO's diversified resource profile, healthy capitalization and adequate liquidity profile.

Owing to its public policy mandate with lending largely to government entities, HUDCO's profitability has been moderate over the years. The ratings continue to factor in its moderate asset quality and profitability profile

Rating Sensitivities

Going forward, the ability of HUDCO to maintain its asset quality and sustain profitable business growth while maintaining majority lending backed by Government guarantee and budgetary allocation of Government for debt servicing, maintaining its liquidity and capital adequacy profile would be key rating sensitivities.

Negative Factors: Factors that could individually or collectively lead to negative rating action/downgrade

- Any material changes in shareholding pattern and/or reduced expectation of support from GoI
- Further deterioration in asset quality profile

Detailed description of the key rating drivers

Key Rating Strengths

Majority Government ownership, demonstrated Government support and strategic importance to GoI

HUDCO is majorly owned by GoI (81.81% equity shares as on August 06, 2021), with a continued expectation of timely support from GoI. HUDCO is a strategically important entity for GoI and has played a significant role in implementation of its various initiatives in urban infrastructure and social housing projects. As of June 30, 2021, HUDCO has an experienced board consisting of five Directors (three functional and two government nominees) with rich experience in Government administration. HUDCO also has access to foreign currency lines from ADB, JBIC (both guaranteed by GoI) and USAID (not guaranteed by GoI), etc., and refinance assistance from National Housing Bank (NHB)/ India Infrastructure Finance Company Ltd (IIFCL).

Business growth with incremental lending to low risk Government sector

The loan book of HUDCO at Rs. 75,787 as on March 31, 2021, remained almost at same level of March 31, 2020. Also, as of June 30, 2021, the loan book remained at same levels. During FY21 (refers to the period April 1 to March 31), the company sanctioned advances of Rs.9,202 crore with majority towards urban infrastructure (90% of the total sanctions for FY21) which included projects like water supply, sewage, road, power and other emerging sectors. However, due to COVID-19-induced disruptions, the sanctions for the quarter ended June 2021 came down to Rs.3 crore. The disbursements of HUDCO for FY21 stood at Rs.8,324 crore, of which majority was towards urban infrastructure (56% of the total disbursements for FY21). The disbursements also were impacted for the quarter ended June 30, 2021 at Rs.1,266 crore. With lending exposed to government entities only since 2013, HUDCO has 97% of its total loans outstanding towards government agencies as on June 30, 2021. Also, while the institution faces regional concentration particularly in Andhra Pradesh, Telangana, and Delhi, HUDCO has received special relaxation from NHB with respect to credit concentration (exposure) norms up to 140%, 175% and 120% of NOF in state of Andhra Pradesh, Telangana and Uttar Pradesh, respectively. Although as per new directions from NHB, the same has to be brought down to 100% by 2023.

Diversified resource profile

HUDCO has a diversified funding profile with funds raised through bonds (Tax-free and Taxable), bank loans, commercial paper, refinance lines from NHB/IFCL, Public Deposits and others. As on March 31, 2021, out of the total borrowing of Rs.61,036 crore, taxable bonds constituted 64.27% (including Rs.20,000 crore of GoI fully serviced bonds), tax free bonds formed another 28.49%, NHB/IFCL refinance (4.33%), short-term bank loans (0.03%), commercial Paper (2.46%), public deposits (0.04%) while foreign currency loans stood 0.39%. HUDCO has stopped accepting fresh public deposits w.e.f July 01, 2019; however, redemption for already taken deposits are being made on respective due dates.

During FY21, the company raised Rs.7,850 crore with reported average cost of borrowing of 5.63% (down from 6.81% a year ago). Of the total fund raised during FY21, 81% are in the form of taxable bonds, and the balance 19% through commercial paper. Furthermore, the company raised Rs.1,066 crore during Q1FY22 only through banks.

Healthy capitalization profile

HUDCO's capitalization profile is comfortable as reflected in capital adequacy of 64.02% as on March 31, 2021 as against 55.46% as on March 31, 2020, well above the regulatory minimum requirement of 14% (minimum regulatory capital adequacy ratio (CAR))% will increase to 15% by March-2022). HUDCO's CAR is supported by 20% risk weight for state government guaranteed projects. In line with high growth seen in recent past and expectation of higher loan book growth, HUDCO's gearing is likely to increase, however, expected to remain comfortable in line with risk profile of its lending book.

Key Rating Weakness**Moderate asset quality metrics**

HUDCO's asset quality remains moderate with reported gross non-performing asset (GNPA) ratio increasing to 4.03% as on March 31, 2021, owing to increase in fresh slippages by two folds and lesser recovery as compared with last year. On an absolute basis, the GNPA as on March 31, 2021 stood at Rs. 3,054 crore up by 4% YOY from Rs.2,928 crore as on March 31, 2020. With decline in provisions by 3% YOY, the provisioning coverage ratio (PCR) for fiscal 2021 stood at 88.53%. The net non-performing asset (NNPA) has doubled to Rs. 350 crore end March 2021.

As on June 30, 2021, HUDCO reported deterioration in GNPA absolute on quarterly basis and stood at Rs.3,072 crore, however, owing to increase in provisions, the NNPA improved and stood at Rs. 371 crore. The GNPA% and NNPA% stood at 4.07% and 0.51%, respectively, as on June 30, 2021. The PCR as on June 30, 2021 stood at 87.92%.

Moderate profitability

Owing to its public policy mandate with lending largely to government entities, HUDCO's profitability has been moderate over the years. Even though the company reported resilient assets under management (AUM) growth till FY20, it reported marginal degrowth of 1% YoY in AUM as on March 31, 2021, due to which, HUDCO reported a total income of Rs.7,278 crore (down by 4% y-o-y) end FY21 along with decline in net interest income by 9% YOY. Owing to decrease in total income and increase tax expenses by 39% YOY, the profit after tax (PAT) for the fiscal 2021, has decreased by 8% YOY. This has led to decline in return on total assets (ROTA) to 2.06% in FY21 from 2.29% in FY20. On quarterly basis, despite decline in operating expenses by 37% QOQ and decline in provisioning expenses significantly, the PAT was reported at Rs. 405 crore as on June 30, 2021, with degrowth of 23% QOQ over total income of Rs.1,798 crore (+1% QOQ).

The profitability of the company moderated by end-FY21 with CARE-calculated net interest margin (NIM) on average total assets at 3.15% from 3.54% in FY20. With decline in absolute operating expenses by 9% YOY end FY21, the company's opex/ATA improved to 0.47% from the previous year at 0.53%. End-FY21, HUDCO reported decline in PAT margin to 21.69% from 22.56% during the previous year.

Liquidity profile**Liquidity: Adequate**

As per Asset Liability Maturity (ALM) statement dated March 31, 2021, there were negative cumulative mismatches in medium-term time buckets. However, HUDCO maintains sanctioned but unutilised bank limits to meet short-term requirements. As on

March 31, 2021, HUDCO had one-year debt outflows of Rs.6,446 crore, while inflows during same period stood at Rs. 7,189 crore and as on March 31, 2021. The unutilized bank lines stood at Rs.8,281 crore as on July 09, 2021.

Analytical approach: Standalone, factoring in timely support from Gol in case of need; given HUDCO is majority owned by Gol and strategically important to Gol.

Applicable Criteria

Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings

CARE's Policy on Default Recognition

Rating Methodology: Notching by factoring linkages with Government

Financial Ratios – Financial Sector

Criteria for Short Term Instruments

Rating Methodology – Housing Finance Companies (HFCs)

About the Company

HUDCO, set up in 1970, is a majority Gol-owned (81.81% as on August 06, 2021) developmental financial institution mandated to provide long-term finance for social housing and core urban infrastructure development in the country. It is a central public sector undertaking and a public financial institution within the meaning of Clause (72) of section 2 of the Companies Act, 2013. Furthermore, HUDCO is also a housing finance company registered with National Housing Bank (NHB). The corporation was conferred 'Mini-Ratna' status in August 2004 resulting in greater operational and financial flexibility. HUDCO is also a Central Nodal Agency, along with NHB, for the implementation and monitoring of the "Pradhan Mantri Awas Yojna – Housing for All by 2022" scheme to be implemented over the period 2015-2022. HUDCO's lending is mainly focused towards state undertakings in the housing or urban infrastructure segment with majority of loans backed by state government guarantees and/or budgetary allocation through state sponsored programs. Presently, HUDCO operates through a corporate office along with 21 regional offices and 11 development offices.

Brief Financials (Rs. crore)#	FY19 (A)	FY20 (A)	FY21 (A)
Total operating income	5,591	7,572	7,278
PAT	1,180	1,708	1,579
Interest coverage (times)	1.61	1.51	1.47
Total Assets	72,829	76,127	76,959
Net NPA (%)	0.49	0.19	0.50
ROTA (%)	1.94	2.29	2.06

A: Audited, # as per Ind AS

*Note: Ratios 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

Annexure-1: Details of Instruments/Facilities

ISIN	Name of the Instrument	Rate	Amount	Allotment Date	Redemption Date	Ratings
INE031A09FA9	Option 1 7.51% Taxfree A	7.51%	4.77	21-Oct-11	21-Oct-21	CARE AAA; Stable
INE031A09FB7	Option 2- 7.75% Taxfree A	7.75%	10.81	21-Oct-11	21-Oct-26	
INE031A09FC5	Option 1- 7.62% Taxfree B	7.62%	137.66	11-Nov-11	11-Nov-21	
INE031A09FD3	Option 2-7.83% Taxfree B	7.83%	66.51	11-Nov-11	11-Nov-26	
INE031A09FF8	Option 1-8.09% Taxfree C	8.09%	47.86	22-Dec-11	22-Dec-21	
INE031A09FG6	Option 2-8.16% Taxfree C	8.16%	47.67	22-Dec-11	22-Dec-26	

ISIN	Name of the Instrument	Rate	Amount	Allotment Date	Redemption Date	Ratings
INE031A07832	Option 1-8.10% Public Issue of Taxfree	8.10%	2,166.42	5-Mar-12	5-Mar-22	
INE031A07840	Option 2-8.20% Public Issue of Taxfee	8.20%	2,518.30	5-Mar-12	5-Mar-27	
	<i>Sub-Total for FY12</i>		<i>5,000.00</i>			
INE031A07857	Option 1-7.34% Public Issue of Taxfree	7.34%	920.10	16-Feb-13	16-Feb-23	CARE AAA; Stable
INE031A07865	Option 2-7.51% Public Issue of Taxfee	7.51%	1,274.24	16-Feb-13	16-Feb-28	
INE031A07873	Option 1-7.03% Public Issue of Taxfree	7.03%	97.61	28-Mar-13	28-Mar-23	
INE031A07881	Option 2-7.19% Public Issue of Taxfee	7.19%	109.40	28-Mar-13	28-Mar-28	
	<i>Sub-Total for FY13</i>		<i>2,401.35</i>			CARE AAA; Stable
INE031A07899	8.56% Tax Free 2013 HBS-A	8.56%	190.80	2-Sep-13	2-Sep-28	
INE031A07907	8.14% Tax Free 2013 HB Tranche-I Series 1A	8.14%	269.58	25-Oct-13	25-Oct-23	
INE031A07931	8.39% Tax Free 2013 HB Tranche-I Series 1B	8.39%	361.79	25-Oct-13	25-Oct-23	
INE031A07915	8.51% Tax Free 2013 HB Tranche-I Series 2A	8.51%	799.27	25-Oct-13	25-Oct-28	
INE031A07949	8.76% Tax Free 2013 HB Tranche-I Series 2B	8.76%	815.00	25-Oct-13	25-Oct-28	
INE031A07923	8.49% Tax Free 2013 HB Tranche-I Series 3A	8.49%	35.51	25-Oct-13	25-Oct-33	
INE031A07956	8.74% Tax Free 2013 HB Tranche-I Series 3B	8.74%	88.85	25-Oct-13	25-Oct-33	
INE031A07964	8.51% Tax-Free 2013 HB Tranche II Series 1A	8.51%	504.93	13-Jan-14	13-Jan-24	
INE031A07998	8.76% Tax-Free 2013 HB Tranche II Series 1B	8.76%	439.63	13-Jan-14	13-Jan-24	
INE031A07972	8.58% Tax-Free 2013 HB Tranche II Series 2A	8.58%	127.38	13-Jan-14	13-Jan-29	
INE031A07AA4	8.83% Tax-Free 2013 HB Tranche II Series 2B	8.83%	123.75	13-Jan-14	13-Jan-29	
INE031A07980	8.76% Tax-Free 2013 HB Tranche II Series 3A	8.76%	286.54	13-Jan-14	13-Jan-34	
INE031A07AB2	9.01% Tax-Free 2013 HB Tranche II Series 3B	9.01%	671.16	13-Jan-14	13-Jan-34	
INE031A07AC0	8.29% Tax-Free 2013 HB Tranche III Series 1A	8.29%	18.37	24-Mar-14	24-Mar-24	
INE031A07AF3	8.54% Tax-Free 2013 HB Tranche III Series 1B	8.54%	47.36	24-Mar-14	24-Mar-24	
INE031A07AD8	8.73% Tax-Free 2013 HB Tranche III Series 2A	8.73%	28.47	24-Mar-14	24-Mar-29	
INE031A07AG1	8.98% Tax-Free 2013 HB Tranche III Series 2B	8.98%	128.42	24-Mar-14	24-Mar-29	
INE031A07AE6	8.71% Tax-Free 2013 HB Tranche III Series 3A	8.71%	8.76	24-Mar-14	24-Mar-34	
INE031A07AH9	8.96% Tax-Free 2013 HB Tranche III Series 3B	8.96%	41.54	24-Mar-14	24-Mar-34	
	<i>Sub-Total for FY14</i>		<i>4,987.12</i>			
INE031A07AI7	7.19% Tax Free 2015 HBS-A	7.19%	151.00	31-Jul-15	31-Jul-25	CARE AAA; Stable
INE031A07AJ5	7.07% Tax Free 2015 HBS-B	7.07%	1,029.00	1-Oct-15	1-Oct-25	

ISIN	Name of the Instrument	Rate	Amount	Allotment Date	Redemption Date	Ratings
INE031A07AK3	7.00% Tax Free 2015 HBS-C	7.00%	108.50	9-Oct-15	9-Oct-25	
INE031A07AL1	Option 1A-7.02% Public Issue of Taxfree -I	7.02%	117.21	8-Feb-16	8-Feb-26	
INE031A07AN7	Option 1B-7.27% Public Issue of Taxfree-I	7.27%	128.45	8-Feb-16	8-Feb-26	
INE031A07AM9	Option 2A-7.39% Public Issue of Taxfee-I	7.39%	909.69	8-Feb-16	8-Feb-31	
INE031A07AO5	Option 2B-7.64% Public Issue of Taxfee-I	7.64%	556.15	8-Feb-16	8-Feb-31	
INE031A07AP2	7.39% Taxfree D (2015)	7.39%	211.50	22-Feb-16	22-Feb-31	
INE031A07AQ0	Option 1A-7.04% Public Issue of Taxfree-II	7.04%	48.16	15-Mar-16	15-Mar-26	
INE031A07AS6	Option 1B-7.29% Public Issue of Taxfree-II	7.29%	105.35	15-Mar-16	15-Mar-26	
INE031A07AR8	Option 2A-7.39% Public Issue of Taxfee-II	7.39%	1,024.94	15-Mar-16	15-Mar-31	
INE031A07AT4	Option 2B-7.69% Public Issue of Taxfee-II	7.69%	610.05	15-Mar-16	15-Mar-31	
	<i>Sub-Total for FY16</i>		<i>5,000.00</i>			
INE031A08475*	7.36% Taxable 2016 HBS-B	7.36%	700.00	16-Sep-16	30-Nov-19	CARE AAA; Stable
INE031A08483*	7.35% Taxable 2016 HBS-C	7.35%	600.00	22-Sep-16	22-Jan-20	
INE031A08491*	7.21% Taxable 2016 HBS-D	7.21%	200.00	25-Oct-16	25-Apr-20	
INE031A08509*	6.80% Taxable 2016 HBS-E	6.80%	700.00	18-Nov-16	18-May-20	
INE031A08517*	6.81% Taxable 2016 HBS-F	6.81%	600.00	13-Jan-17	13-Jan-20	
INE031A08525*	7.59% Taxable 2016 HBS-G	7.59%	565.00	21-Mar-17	21-Jun-20	
	<i>Sub-Total for FY17</i>		<i>3,365.00</i>			
INE031A08533*	7.05% HUDCO Taxable 2017 Bonds -Series A	7.05%	400.00	14-Jul-17	14-Aug-20	CARE AAA; Stable
INE031A08541*	7.14% HUDCO Taxable 2017 Bonds -Series B	7.14%	700.00	22-Nov-17	22-Dec-20	
INE031A08558*	7.06% HUDCO Taxable 2017 Bonds -Series C	7.06%	205.00	11-Dec-17	11-Jun-19	
INE031A08566*	7.73% HUDCO Taxable Bonds 2017 Series D	7.73%	675.00	21-Feb-18	15-Apr-21	
INE031A08574*	7.64% HUDCO Taxable Bonds 2017 Series -E	7.64%	715.00	12-Mar-18	12-Jun-19	
INE031A08582*	7.70% HUDCO Taxable Bonds 2017 Series -F	7.70%	1,500.00	19-Mar-18	19-Mar-20	
INE031A08590*	7.68% HUDCO Taxable Bonds 2017 Series -G	7.68%	460.00	27-Mar-18	5-Apr-21	
	<i>Sub-Total for FY18</i>		<i>4,655.00</i>			
INE031A08608*	7.63% HUDCO Taxable Bonds 2018 Series- A	7.63%	100.00	3-Apr-18	3-May-21	CARE AAA; Stable
INE031A08616	8.60% GOI HUDCO Taxable Bonds 2018 Series- I	8.60%	3,000.00	12-Nov-18	12-Nov-28	
INE031A08624	8.52% GOI HUDCO Taxable Bonds 2018 Series- II	8.52%	2,050.00	28-Nov-18	28-Nov-28	
INE031A08632	8.46% HUDCO Taxable Bonds 2018 Series- B	8.46%	1,000.00	5-Dec-18	15-Feb-22	
INE031A08640	8.40% HUDCO Taxable Bonds 2018 Series- C	8.40%	980.00	11-Dec-18	11-Apr-22	
INE031A08657	8.23% HUDCO Taxable Bonds 2018 Series- D	8.23%	930.00	28-Dec-18	15-Apr-22	

ISIN	Name of the Instrument	Rate	Amount	Allotment Date	Redemption Date	Ratings
INE031A08665	8.34% HUDCO Taxable Bonds 2018 Series -E	8.34%	1,000.00	11-Jan-19	11-Jul-22	
INE031A08673	8.38% GOI HUDCO Taxable Bonds 2018 Series- III	8.38%	2,066.90	30-Jan-19	30-Jan-29	
INE031A08681	8.58% GOI HUDCO Taxable Bonds 2018 Series- IV	8.58%	2,563.10	14-Feb-19	14-Feb-29	
INE031A08699	8.41% GOI HUDCO Taxable Bonds 2018 Series- V	8.41%	5,320.00	15-Mar-19	15-Mar-29	
INE031A08707	8.37% GOI HUDCO Taxable Bonds 2018 Series- VI	8.37%	5,000.00	25-Mar-19	25-Mar-29	
	<i>Sub-Total for FY19</i>		<i>24,010.00</i>			
INE031A08715	7.61% HUDCO Taxable Bonds	7.61%	1,485.00	07-Jun-19	22-Jun-22	CARE AAA; Stable
INE031A08723	7.62% HUDCO Taxable Bonds	7.62%	1,000.00	20-Jun-19	15-Jul-22	
INE031A08731	7.34% HUDCO Taxable Bonds	7.34%	1,250.00	18-Jul-19	16-Sep-22	
INE031A08749	7.05% HUDCO Taxable Bonds	7.05%	1,190.00	13-Aug-19	13-Oct-22	
INE031A08756	6.99% HUDCO Taxable Bonds	6.99%	1,370.00	11-Sep-19	11-Nov-22	
INE031A08764	6.79% HUDCO Taxable Bonds	6.79%	1,400.00	17-Jan-20	14-Apr-23	
	<i>Sub-Total for FY20</i>		<i>7,695.00</i>			
INE031A08772	6.65% HUDCO Taxable Bonds	6.65%	600.00	15-Apr-20	15-Jun-23	CARE AAA; Stable
INE031A08780	6.09% HUDCO Taxable Bonds	6.09%	1,500.00	24-Apr-20	24-Jun-23	
INE031A08798	5.95% HUDCO Taxable Bonds	5.95%	1,470.00	12-May-20	11-Aug-23	
INE031A08806	6.75% HUDCO Taxable Bonds	6.75%	1,040.00	29-May-20	29-May-30	
INE031A08814	5.35% HUDCO Taxable Bonds	5.35%	800.00	04-Aug-20	11-Apr-25	
INE031A08822	4.78% HUDCO Taxable Bonds	4.78%	940.00	28-Dec-20	28-Feb-24	
	Proposed		23,390.00			
	<i>Sub-Total for FY21</i>		<i>28,000.00</i>			
	Long Term Bonds (Proposed)		12,000.00			CARE AAA; Stable
	Subordinate Bonds (Proposed)		3,000.00			
	<i>Sub-Total for FY22</i>		<i>15,000.00</i>			
	LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC		25,000.00			CARE AAA; Stable / CARE A1+
	Fixed Deposit		2,000.00			CARE AAA (FD); Stable
	Commercial Paper (Standalone)		10,000.00			CARE A1+

*Instruments are redeemed, and ratings now stand 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 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.	Fixed Deposit	LT	50.00	CARE AAA (FD); Stable	1)CARE AAA (FD); Stable (05-Jul-21)	1)CARE AAA (FD); Stable (07-Jul-20)	1)CARE AAA (FD); Stable (05-Jul-19)	1)CARE AAA (FD); Stable (06-Jul-18) 2)CARE AAA (FD); Stable

								(24-May-18)
2.	LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC	LT/ST	25000.00	CARE AAA; Stable / CARE A1+	1)CARE AAA; Stable / CARE A1+ (05-Jul-21)	1)CARE AAA; Stable / CARE A1+ (07-Jul-20)	1)CARE AAA; Stable / CARE A1+ (05-Jul-19) 2)CARE AAA; Stable / CARE A1+ (09-Apr-19)	1)CARE AAA; Stable / CARE A1+ (06-Jul-18) 2)CARE AAA; Stable / CARE A1+ (24-May-18)
3.	Bonds	LT	5000.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
4.	Bonds	LT	2401.35	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
5.	Bonds	LT	4987.11	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
6.	Commercial Paper-Commercial Paper (Standalone)	ST	10000.00	CARE A1+	1)CARE A1+ (05-Jul-21)	1)CARE A1+ (07-Jul-20)	1)CARE A1+ (05-Jul-19) 2)CARE A1+ (09-Apr-19)	1)CARE A1+ (06-Jul-18) 2)CARE A1+ (24-May-18)
7.	Bonds	LT	1500.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
8.	Bonds	LT	3500.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
9.	Bonds	LT	-	-	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)

10.	Bonds	LT	-	-	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18)
11.	Bonds	LT	23910.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19)	1)CARE AAA; Stable (06-Jul-18) 2)CARE AAA; Stable (24-May-18)
12.	Bonds	LT	7695.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20)	1)CARE AAA; Stable (05-Jul-19) 2)CARE AAA; Stable (09-Apr-19)	-
13.	Bonds	LT	6350.00	CARE AAA; Stable	1)CARE AAA; Stable (05-Jul-21)	1)CARE AAA; Stable (07-Jul-20) 2)CARE AAA; Stable (06-Apr-20)	-	-
14.	Bonds	LT	12000.00	CARE AAA; Stable	-	-	-	-
15.	Bonds-Subordinated	LT	3000.00	CARE AAA; Stable	-	-	-	-

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Bonds	Simple
2.	Commercial Paper-Commercial Paper (Standalone)	Simple
3.	Fixed Deposit	Simple
4.	LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC	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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