

Dr. M. Ravi Kanth
Chairperson & Managing Director,
Housing and Urban Development Corporation Ltd. (HUDCO)
Core 7-A, HUDCO Bhawan,
India Habitat Centre
Lodhi Road,
New Delhi – 110003

July 22, 2015

Kind Attn: Dr. M. Ravi Kanth, Chairperson & Managing Director

Dear Sir,

Re: Rating of HUDCO's bonds and bank loans

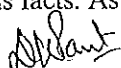
India Ratings and Research (Ind-Ra) communicates the following ratings:-

- Long-Term Issuer Rating upgraded to 'IND AAA' from 'IND AA+'; Outlook Stable
- Short Term Issuer Rating affirmed at 'IND A1+'
- INR85bn domestic bonds (partly taxable and partly tax-free, including a sub-limit of INR20bn of subordinated debt): assigned at 'IND AAA'/Stable
- INR142.5587bn domestic bonds (partly taxable and partly tax-free): upgraded to 'IND AAA'/Stable from 'IND AA+'
- INR100bn long-term bank loans: upgraded to 'IND AAA'/Stable from 'IND AA+'
- INR30bn short-term debt: affirmed at 'IND A1+'
- INR5bn short-term debt: assigned at 'IND A1+'
- INR30bn domestic term deposit: upgraded to 'IND tAAA'/Stable from 'IND tAA+'

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

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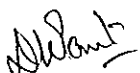
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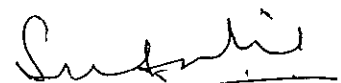
We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings



Dr. Devendra Kr. Pant
Senior Director



Dr. Sunil Kr. Sinha
Director