September 25, 2020

Indiabulls Housing Finance Limited: Ratings withdrawn for PTCs issued against home loan receivables securitization transaction

Summary of rated instruments

Trust Name	Instrument*	Rated amount (Rs. Crore)	Amount O/s after last surveillance (Rs. crore)	Current amount outstanding (Rs. crore)	Rating Action
Innovation Trust XXXVIII June'20	PTC Series A	297.69	NA	0.00	Provisional [ICRA]AAA(SO); Withdrawn

**Instrument details are provided in Annexure-1*

Rationale

ICRA has withdrawn the ratings for pass through certificates (PTCs) issued against home loan receivables transaction originated by Indiabulls Housing Finance Limited (IBHFL), as tabulated above. Innovation Trust XXXVIII June'20 transaction did not get placed and hence there is no outstanding amount against the rated instruments.

Key rating drivers

Credit Strengths

N.A.

Credit Challenges

N.A.

Description of key rating drivers highlighted above:

N.A.

Key rating assumptions

N.A.

Liquidity Position

N.A.

Rating sensitivities

N.A.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the Originator:

Incorporated in 2005, IBHFL is a housing finance company registered with National Housing Bank. In March 2013, the parent company, Indiabulls Financial Services Limited, merged with IBHFL. The company provides mortgage loans, lease rental discounting (LRD) and construction finance with a prime focus on the mortgage and home finance business. As on March 31, 2020, the company's total assets stood at Rs. 1,06,551 crore. On a consolidated basis, IBHFL reported a net profit of Rs. 2,200 crore in FY2020 compared to a net profit of Rs. 4,091 crore in FY2019.

Key financial indicators (audited)

Particulars	Ind-AS FY2018	Ind-AS FY2019	Ind-AS FY2020
Net Interest income*	4483	5128	3037
Profit after tax (PAT)	3895	4091	2200
Total assets	1,34,283	1,31,068	1,06,551
% Gross NPAs	0.77%	0.88%	1.47%
% Net NPAs	0.34%	0.69%	1.10%

Amounts in Rs. crore; ^ Unaudited

Source: IBHFL and ICRA research; Amount in Rs. crore; All ratios are as per ICRA calculations

**Net interest income is calculated as the sum of interest income from financing activities and fixed deposits, and other operating charges less interest expenses*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Sr. No.	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years		
		Type	Initial Rated Amount	Amount Outstanding	Date & Rating 25-Sep-2020	FY2021 07-Jul-2020	FY2020 -	FY2019 -
1	Innovation Trust XXXVIII June'20	PTC Series A	297.69	0.00	Provisional [ICRA]AAA(SO) Withdrawn	Provisional [ICRA]AAA(SO)	-	-

Amounts in Rs. crore

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

Sr. No.	Trust Name	Instrument Name	Date of Issuance	Coupon Rate	Scheduled Maturity Date	Current Amount o/s (Rs. crore[1])	Current Rating
1	Innovation Trust XXXVIII June'20	PTC Series A	June 2020	9.20%	June 2045	0.00	Provisional [ICRA]AAA(SO) Withdrawn

[1] *100 lakh = 1 crore = 10 million*

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About ICRA Limited:

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